

**V.L.INFRAPROJECTS LIMITED**

Corporate Identity Numbers: U45200GJ2014PLC081602

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Office at 716, Shivalik Satyamev, Near Vakil saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India		-	Ms. Anjali Mukeshbhai Samani Company Secretary and Compliance Officer	Tel No: +91 9998850177 Email Id: <a href="mailto:cs@vliil.in">cs@vliil.in</a>	<a href="http://www.vliil.in">www.vliil.in</a>
PROMOTERS OF OUR COMPANY: MR. RAJAGOPAL REDDY ANNAM REDDY, MRS. MYDHILI RAJAGOPAL REDDY AND MR. NAGESWARA RAO REPURI					
DETAILS OF THE ISSUE					
TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY	
Fresh Issue	4410000 Equity Shares aggregating to ₹ [●] Lakhs	Not Applicable	4410000 Equity Shares aggregating up to ₹ [●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.	
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES					
RISK IN RELATION TO THE FIRST ISSUE					
This being the first public issue of Equity Shares 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, the Cap Price and the Issue Price to be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "Basis for Issue Price" on page 89 or in case where, Price Band is not disclosed otherwise, will be advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily Gujarati regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
GENERAL RISKS					
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to section titled "Risk Factors" appearing on page 25 of this Red Herring Prospectus.					
ISSUER'S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.					
LISTING					
The Equity Shares issued through Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").					
BOOK RUNNING LEAD MANAGER TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON	EMAIL & TELEPHONE		
		Mr. Nikhil Shah	Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Tel. No: 079 4918 5784		
BEELINE CAPITAL ADVISORS PRIVATE LIMITED					
REGISTRAR TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON	EMAIL & TELEPHONE		
		Mr. Anuj Rana	Email: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> Tel. No: +011-40450193-197		
SKYLINE FINANCIAL SERVICES PRIVATE LIMITED					
BID/ISSUE PERIOD					
ANCHOR INVESTOR PORTION ISSUE BID/ISSUE PERIOD*:			Monday, July 22, 2024		
BID/ISSUE OPENS ON:			Tuesday, July 23, 2024		
BID/ISSUE CLOSES ON:			Thursday, July 25, 2024		

\*Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be (1) one Working Day prior to the Bid/ Issue Opening Date.



## V.L.INFRAPROJECTS LIMITED

Corporate Identity Numbers: U45200GJ2014PLC081602

Our Company was originally incorporated as registered in the name of "V.L.Infraprojects Private Limited" as a private limited company under the provisions of the Companies Act, 2013 and received a certificate of incorporation dated December 19, 2014 from the Registrar of Companies, Gujarat. Later our Company was converted into a Public Limited Company pursuant to special resolution passed by our shareholders in the resolution passed at Extra-ordinary General Meeting of our Company held on August 22, 2023 and the name of our Company was changed to "V.L.Infraprojects Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 01, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081602. For details of change in name and registered office of our Company, please refer to chapter titled "History and Corporate Matters" beginning on page no. 149 of this Red Herring Prospectus.

Registered Office: 716, Shivalik Satyamev, Near Vakil saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India

Website: [www.vlil.in](http://www.vlil.in); E-Mail: [cs@vlil.in](mailto:cs@vlil.in) Telephone No: +91 9998850177

Company Secretary and Compliance Officer: Ms. Anjali Mukeshbhai Samani

PROMOTERS OF OUR COMPANY: MR. RAJAGOPAL REDDY ANNAM REDDY, MRS. MYDHILI RAJAGOPAL REDDY AND MR. NAGESWARA RAO REPURI

### THE ISSUE

INITIAL PUBLIC ISSUE OF 4410000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF V.L.INFRAPROJECTS LIMITED ("VLIL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS (THE "ISSUE"), OF WHICH 240000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 4170000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.07% AND 26.54%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM ADVERTISED IN ALL EDITION OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF JANSATTA CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND AHMEDABAD EDITION OF FINANCIAL EXPRESS REGIONAL NEWSPAPER (GUJARATI REGIONAL LANGUAGE OF AHMEDABAD WHERE OUR REGISTERED OFFICE IS LOCATED). AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE. FOR FURTHER DETAILS KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 224 OF THIS RED HERRING PROSPECTUS.

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid /Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue 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 Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs 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, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% 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 Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue 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 Issue Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue 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 Issue through the ASBA process. For details, please refer to the chapter titled "Issue Procedure" on page 235 of this Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 235 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Issue Price 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 investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 25 of this Red Herring Prospectus.

### COMPANY'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated June 12, 2024 from National Stock Exchange of India Limited ("NSE") for using its name in Issue document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For this Issue, the designated Stock Exchange is the National Stock Exchange of India Limited ("NSE").

### BOOK RUNNING LEAD MANAGER



#### BEELINE CAPITAL ADVISORS PRIVATE LIMITED

SEBI Registration Number: INM000012917

Address: B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India.

Telephone Number: 079 4918 5784

Email Id: [mb@beelinemb.com](mailto:mb@beelinemb.com)

Investors Grievance Id: [ig@beelinemb.com](mailto:ig@beelinemb.com)

Website: [www.beelinemb.com](http://www.beelinemb.com)

Contact Person: Mr. Nikhil Shah

CIN: U67190GJ2020PTC114322

### REGISTRAR TO THE ISSUE



#### SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

D-153A, 1st Floor, Okhla Industrial Area

Phase-I, New Delhi – 110020, India

Tel. No.: 011-40450193-197

Email: [ipo@skylinerta.com](mailto:ipo@skylinerta.com)

Website: [www.skylinerta.com](http://www.skylinerta.com)

Investor Grievance Email: [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

Contact Person: Mr. Anuj Rana

SEBI Registration No.: INR000003241

CIN: U74899DL1995PTC071324

### BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE\*

Monday, July 22, 2024

BID/ISSUE OPENS ON

Tuesday, July 23, 2024

BID/ISSUE CLOSES ON

Thursday, July 25, 2024

\*Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be (1) one Working Day prior to the Bid/ Issue Opening Date

## TABLE OF CONTENTS

<b>SECTION I – DEFINATIONS AND ABBREVIATIONS .....</b>	<b>1</b>
GENERAL AND COMPANY RELATED TERMS .....	1
ISSUE RELATED TERMS .....	2
TECHNICAL AND INDUSTRY RELATED TERMS .....	10
CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS .....	11
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA .....	14
FORWARD – LOOKING STATEMENTS .....	16
<b>SECTION II - SUMMARY OF RED HERRING PROSPECTUS.....</b>	<b>18</b>
<b>SECTION III - RISK FACTOR.....</b>	<b>25</b>
<b>SECTION IV – INTRODUCTION .....</b>	<b>48</b>
THE ISSUE.....	48
SUMMARY OF FINANCIAL INFORMATION.....	50
<b>SECTION V – GENERAL INFORMATION .....</b>	<b>51</b>
<b>SECTION VI - CAPITAL STRUCTURE .....</b>	<b>61</b>
<b>SECTION VII – PARTICULARS OF THE ISSUE .....</b>	<b>80</b>
OBJECTS OF THE ISSUE.....	80
BASIS FOR ISSUE PRICE .....	89
STATEMENT OF SPECIAL TAX BENEFITS .....	99
<b>SECTION VIII – ABOUT THE COMPANY.....</b>	<b>102</b>
INDUSTRY OVERVIEW .....	102
BUSINESS OVERVIEW .....	115
HISTORY AND CORPORATE STRUCTURE.....	149
KEY INDUSTRY REGULATIONS .....	155
OUR MANAGEMENT .....	162
OUR PROMOTERS AND PROMOTER GROUP.....	177
DIVIDEND POLICY.....	181
<b>SECTION IX – FINANCIAL STATEMENTS .....</b>	<b>182</b>
RESTATED FINANCIAL INFORMATION .....	182
OTHER FINANCIAL INFORMATION .....	183
MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS.....	184
CAPITALISATION STATEMENT .....	198
<b>SECTION X – LEGAL AND OTHER INFORMATION .....</b>	<b>199</b>
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS .....	199
GOVERNMENT APPROVALS .....	206
<b>SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES / ENTITIES.....</b>	<b>211</b>
<b>SECTION – XII – OTHER REGULATORY AND STATUTORY DISCLOSURES .....</b>	<b>212</b>
<b>SECTION XIII – ISSUE RELATED INFORMATION.....</b>	<b>224</b>
TERMS OF ISSUE .....	224
ISSUE STRUCTURE .....	231
ISSUE PROCEDURE.....	235
RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	263
DESCRIPTION OF EQUITY SHARES RELATED TERMS OF THE ARTICLES OF ASSOCIATION .....	265
<b>SECTION XIV – OTHER INFORMATION .....</b>	<b>299</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	299
DECLARATIONS .....	301

## SECTION I – DEFINATIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, 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 Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

### GENERAL AND COMPANY RELATED TERMS

Term	Description
“V.L.Infraprojects”, “VLIL” “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	V.L.Infraprojects Limited, a public limited company, registered under the Companies Act, 2013 and having its registered office at 716, Shivalik Satyamev, Near Vakil saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India.
Our Promoters	Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri.
Promoter’s Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.

### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page 162 of this Red Herring Prospectus.
Bankers to the Company	State Bank of India.
Board of Directors / Board/BOD	The Board of Directors of V.L.Infraprojects Limited unless otherwise specified.
Companies Act	The Companies Act, 1956 and/or the Companies Act, 2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U45200GJ2014PLC081602.
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Mr. Nageswara Rao Repuri.
Chairman, Managing Director (CMD) and Chief Executive Officer (CEO)	The CMD and Chief Executive officer of our Company, being Mr. Rajagopal Reddy Annam Reddy.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer being Ms. Anjali Mukeshbhai Samani.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
ED	Executive Director
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Information as covered under the applicable

Term	Description
	accounting standards, and as disclosed in “ <i>Information with respect to Group Companies</i> ” on page 211 of this Red Herring Prospectus.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0QXL01015
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management</i> ” on page 162 of this Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on February 22, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 162 of this red herring prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Peer Review Auditors	The Peer Review Auditors of our Company, being M/s. S V J K and Associates Chartered Accountants, holding a valid peer review certificate, as mentioned in the section titled “ <i>General Information</i> ” beginning on page 51 of this Red Herring Prospectus.
Registered Office	716, Shivalik Satyamev, Near Vakil Saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India
Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the financial year ended on March 31, 2024, 2023, 2022, 2021 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
Statutory Auditor	The Statutory Auditor of our company being M/s PARY & Co., Chartered Accountants holding a valid Peer Review certificate, as mentioned in the section titled “ <i>General Information</i> ” beginning on page 51 of this Red Herring Prospectus.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 162 of this red herring prospectus.
Whole-time director	The Whole-time director of our Company, being Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri.

#### ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application



Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bidders	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Red Herring Prospectus.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
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 in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue 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/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue 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 Issue 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 Issue Price but not higher than the Cap Price.  The Anchor Investor Issue Price will be decided by our Company 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 Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, 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, in accordance with the SEBI ICDR Regulations

Terms	Description
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited
Banker to the Issue Agreement	Agreement dated July 11, 2024 entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled 'Basis of allotment' under chapter titled "Issue Procedure" starting from page no. 235 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/ Issue 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/Issue 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, being Thursday July 25, 2024, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Ahmedabad editions of Financial Express (regional language of Ahmedabad, where our Registered Office is located).</p> <p>Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue 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 Tuesday July 23, 2024, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Ahmedabad editions of Financial Express (regional language of Ahmedabad, where our Registered Office is located).
Bid/ Issue Period	<p>Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</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</p>

Terms	Description
	/ Issue Period for a minimum of 3 (three) Working Days, subject to the Bid/ Issue Period not exceeding 10 (Ten) Working Days
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of 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 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 Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Bankers to the Issue and Refund Banker	Axis Bank Limited
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	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. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.



Terms	Description
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring prospectus dated March 31, 2024 issued in accordance with Section 26 and 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Engagement Letter	The Engagement letter dated May 16, 2023 executed between Issuer and BRLM.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Emerge Platform of NSE	The EmERGE Platform of NSE for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as an NSE EmERGE on October 14, 2011.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue 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	Accounts to be opened with the Banker to the Issue
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue 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
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 4410000 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018

Terms	Description
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue document	Includes Red Herring Prospectus and Prospectus filed with Registrar of Companies.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “Objects of the Issue” page 80 of this Red Herring Prospectus
Issue/ Issue Size/ Initial Public Issue/ Initial Public Issue/ Initial Public Offering/ IPO	The initial public offering of 4410000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs comprising the Fresh Issue.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	The Market Making Agreement dated July 11, 2024 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	The Market Maker to the Issue, in this case being Spread X Securities Private Limited.
Market Maker Reservation Portion	The reserved portion of 240000 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of 4170000 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer Document	Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable

Terms	Description
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Ahmedabad edition of Financial Express (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Ahmedabad, where our Registered and Corporate Office is situated) at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective website.
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 Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Registrar / Registrar to the Issue	Registrar to the Issue being Skyline Financial Services Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors /(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000.
Registered Broker	Stockbrokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018

Terms	Description
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> & <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>
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Issue 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 entered into between the Underwriter and our Company dated July 11, 2024
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number 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/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 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 and Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business:- 1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on

Terms	Description
	<p>which commercial banks in the city as notified in this Red Herring Prospectus are open for business.</p> <p>2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</p>

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
BHEL	Bharat Heavy Electricals Limited
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CLSS	Credit Linked Subsidy Scheme
CWBP	City Water Balance Plan
Capex	Capital Expenditure
ECLGS	Emergency Credit Linked Guarantee Scheme
EMDEs	Emerging market and developing economy
EPC	Engineering, Procurement, and Construction
EPCG	Export Promotion Capital Goods
FOB	Free On Board
FSSM	Faecal Sludge and Septage Management
FDI	Foreign Direct Investment
GOI	Government of India
HAM	Hybrid Annuity Model
IEC	Information, Education and Communication
ITT	invitations to tender
IWTs	Inland Waterway Terminals
IWTs	Inland Waterway Terminals
JV	Joint Venture
LICs	Low-income countries
MoPSW	Ministry of Ports, Shipping, and Waterways
MoSPI	Ministry of Statistics and Programme Implementation (India)
MPC	Monetary Policy Committee
MDB	Multilateral development banks
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MITRA	Mega Investment Textiles Parks
MSME	Micro, Small, and Medium Enterprises
NFHS	National Family Health Survey
NHA	National Highways Authority
NHAI	National Highway Authority of India
NIIF	National Investment and Infrastructure Fund
NIP	National Infrastructure Pipeline
PLI	Production-linked incentives
PWD	Public Works Department
PMAY-Urban	Pradhan Mantri Awas Yojna scheme



Term	Description
R&D	Research and Development
RBI	Reserve Bank of India
RTS	Rooftop solar
RCC road	Reinforced Cement Concrete road
RFPs	request for proposals
RWSS projects	Rural Water Supply and Sanitation projects
O&M	operation and maintenance services
SAAPs	State Annual Action Plans
SEZ	Special Economic Zone
UIDF	Urban Infrastructure Development Fund
UNDP	United Nations Development Programme
WSPs	Water Supply Projects

#### CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CFSS	Companies Fresh Start Scheme under Companies Act, 2013
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director identification number
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant's Identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EMDE	Emerging Market and Developing Economy
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt

Term	Description
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
LIC	Low-Income Country
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
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
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NSE	National Stock Exchanges of India Limited
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time

Term	Description
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the NSE
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

All references in the Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “V.L.Infraprojects Limited”, “VLIL”, and, unless the context otherwise indicates or implies, refers to V.L.Infraprojects Limited. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### Use of Financial Data

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and in Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our financial statements prepared and restated for the year ended on March 31, 2024, 2023, 2022 and 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “Restated Financial Information of our Company” beginning on page 182 of this Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “Risk Factors”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s Restated Financial Information prepared in accordance with the applicable provisions of the Companies Act, Indian Ind AS and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “Restated Financial Information” beginning on page 182 of this Red Herring Prospectus.

For additional definitions used in this Red Herring Prospectus, see the section “Definitions and Abbreviations” on page 1 of this Red Herring Prospectus. In the section titled “Description of Equity Shares and Terms of the Articles of Association”, on page 263 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this 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 Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

### Use of Industry & Market Data

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

---

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

In accordance with the SEBI (ICDR) Regulations, the section titled "*Basis for Issue Price*" on page 89 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.



## FORWARD – LOOKING STATEMENTS

All statements contained in this 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 Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
2. Destruction in our service process.
3. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
4. Failure to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
5. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
6. Ability to respond to technological changes;
7. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
8. Inability to successfully obtain registrations in a timely manner or at all;
9. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
10. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
11. Recession in the market;
12. Changes in laws and regulations relating to the industries in which we operate;
13. Effect of lack of infrastructure facilities on our business;
14. Our ability to successfully implement our growth strategy and expansion plans;
15. Our ability to meet our capital expenditure requirements;
16. Our ability to attract, retain and manage qualified personnel;
17. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
18. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
19. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
20. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
21. Conflicts of interest with affiliated companies, the promoter group and other related parties;
22. The performance of the financial markets in India and globally;
23. Any adverse outcome in the legal proceedings in which we are involved;
24. Our ability to expand our geographical area of operation;

25. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled “Risk Factors”; “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 25, 115 and 184 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter 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 SEBI requirements, our Company, and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II - SUMMARY OF RED HERRING PROSPECTUS

This section is a general summary of the terms of the Issue, certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus 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 Red Herring Prospectus, including the sections titled “*Risk Factors*”, “*Industry Overview*”, “*Business Overview*”, “*Capital Structure*”, “*The Issue*”, “*Restated Financial Information*”, “*Objects of the Issue*” “*Our Promoters and Promoter Group*”, “*Management’s Discussions and Analysis of Financial Position and Results of Operations*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 25, 102, 115, 61, 48, 182, 80, 177, 184, 199 and 235, respectively.

### PRIMARY BUSINESS OF THE COMPANY

Our Company was originally incorporated as “V.L.Infraprojects Private Limited” as a private limited company under the provisions of the Companies Act, 2013 and received a certificate of incorporation dated December 19, 2014 from the Registrar of Companies, Gujarat. Later our Company was converted into a Public Limited Company pursuant to special resolution passed by our shareholders in the Extra-ordinary General Meeting of our Company held on August 22, 2023 and the name of our Company was changed to “V.L.Infraprojects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 01, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081602.

Located at Ahmedabad, Gujarat, our company was founded by our visionary Promoter Cum Chairman and Managing Director & CEO, Mr. Rajagopal Reddy Annam Reddy. Our company is benefited from the extensive experience of our Promoters, Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri, having experience of more than 45 (Forty-Five) years. Our Board of Directors, Key Managerial Personnel and Senior Management Personnel has also provided significant contribution in the growth of our company.

The company is a Government Approved Contractor in “AA” Class with the Government of Gujarat, Civil/Electrical Contractor License from Karnataka State Public Works department, Special class registration in Government of Telangana and contractor registration in Government of Madhya Pradesh. The company provides designing, construction, and commissioning of various types of government projects especially in water infrastructure and irrigation segment.

The Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment’s (pumping machinery) for distribution of water supply from the river to household. We also provide operations & maintenance services for water distribution pipelines.

Our company began its operations focusing on water pipeline projects in Gujarat. We have since expanded our services to encompass all aspects of road construction, irrigation, water infrastructure, and environmental projects. We have locational presence in the state of Madhya Pradesh, Telangana, Maharashtra, and Gujarat. We are committed to maintaining the highest standards, the same is evident by the ISO 9001:2015 certification for quality management, ISO 14001:2015 certification for environmental management, and ISO 45001:2018 certification for occupational health and safety management systems.

*For further details kindly refer to chapter titled “Business Overview” beginning on page 115 of this Red Herring Prospectus.*

### SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

#### GLOBAL OUTLOOK

Global economic activity continues to soften, amid the effects of tight monetary policies, restrictive financial conditions, and weak global trade growth. After a sharp slowdown in 2022 and another decline last year, global output growth is set to edge down in 2024, marking the third consecutive year of deceleration. The recent conflict in the Middle East has heightened geopolitical risks and raised uncertainty in commodity markets, with potential adverse implications for global growth. This comes while the world economy is continuing to cope with the lingering effects of the overlapping shocks of the past four years—the COVID-19 pandemic, the Russian Federation’s invasion of Ukraine, and the rise in inflation and subsequent sharp tightening of global monetary conditions.

Growth in advanced economies as a whole and in China is projected to slow in 2024 to well below its 2010-19 average pace. Meanwhile, aggregate growth is set to improve in EMDEs with strong credit ratings, remaining close to pre-pandemic average rates. Although overall growth is also expected to firm somewhat from its 2023 low in EMDEs with weak credit

ratings, the outlook for many such countries remains precarious, given elevated debt and financing costs, and idiosyncratic headwinds such as conflict.

Long-term yields on advanced-economy government bonds were volatile in 2023, reflecting shifting expectations about the path of future interest rates and sizable movements in term premia. Although yields have retreated from their late-October peaks, they still imply increased fiscal vulnerabilities, given that median global government debt has risen by 20 percentage points of GDP since 2007, when U.S. yields were last at their current levels. The drag on growth from monetary tightening is expected to peak in 2024 in most major economies, assuming an orderly evolution of broader financial conditions. Thus far, headwinds to growth from elevated interest rates have been offset, to some degree, by households and firms spending out of savings buffers, resilient risk appetite, and extended maturities on stocks of low-cost debt, as well as by expansionary fiscal policy in some cases, most notably the United States.

Global trade growth in 2023 was the slowest outside global recessions in the past 50 years, with goods trade contracting amid pandemic global industrial production. Services trade has continued to recover from the effects of the pandemic, but at a slower pace than previously expected. Global trade growth is projected to pick up to 2.3 percent in 2024, partly reflecting a recovery of demand for goods and, more broadly, in advanced-economy trade.

*(Source: Global Economic Prospects, January 2024)*

## INDIAN ECONOMY

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

*(Source: Economic Survey 2022-23, DEA)*

## INFRASTRUCTURE SECTOR IN INDIA

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

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

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

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

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads, and urban

infrastructure development. In other words, the infrastructure sector acts as a catalyst for India’s economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India’s aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as ‘Make in India’ and the production-linked incentives (PLI) scheme to augment the growth of infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water& irrigation. While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

(Source: <https://www.ibef.org>)

## NAME OF PROMOTERS

Promoters of Our Company is Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri. For detailed information on our Promoter and Promoter’s Group, please refer to Chapter titled “Our Promoters and Promoter’s Group” on page no. 177 of this Red Herring Prospectus.

## SIZE OF THE ISSUE

Our Company is proposing the public issue of 4410000 equity shares of face value of ₹ 10/- each of V.L.Infraprojects Limited (“VLIL” or the “Company” or the “Issuer”) for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating to ₹ [●] lakhs (“the issue”), of which 240000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the issue (the “market maker reservation portion”). The issue less the market maker reservation portion i.e. Net issue of 4170000 equity shares of face value of ₹ 10/- each at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs is herein after referred to as the “net issue”. The issue and the net issue will constitute 28.07 % and 26.54 %, respectively, of the post issue paid up equity share capital of our company. The face value of the equity shares is ₹ 10/- each. The price band will be decided by our company in consultation with the book running lead manager (“BRLM”) and will be advertised in all editions of the English national newspaper, all editions of the Hindi national newspaper and regional language newspaper, each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the emerge platform of National Stock Exchange of India Limited (“NSE Emerge”, referred to as the “Stock Exchange”) for the purpose of uploading on their website for further details kindly refer to chapter titled “Terms of the Issue” beginning on page 224 of this Red Herring Prospectus.

## OBJECT OF THE ISSUE

Particulars	Amount (₹ in) Lakhs
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses	[●]
<b>Net Issue Proceeds</b>	[●]

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

## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Gross Issue Proceeds
1.	To Meet Working Capital Requirements	1,480.00	[●]
2.	General corporate purposes#	[●]	[●]
<b>Net Issue Proceeds</b>		[●]	[●]

# To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

## MEANS OF FINANCE



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

(₹ in Lakhs)

Sr No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/ Equity/ Reserves/ Borrowings
1.	To Meet Working Capital Requirements	6,480.88	1,480.00	5,000.88
2.	General Corporate Purposes	[•]	[•]	0.00
3.	Public Issue Expenses	[•]	[•]	0.00
<b>Total</b>		[•]	[•]	<b>5,000.88</b>

## SHAREHOLDING

The shareholding pattern of our Promoters and Promoter's Group before the Issue is as under:

Sr. No.	Name of shareholders	Pre-issue		Post-issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Promoters</b>					
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	43.18	4880625	31.06
2.	Mrs. Mydhili Rajagopal Reddy	3750375	33.18	3750375	23.87
3.	Mr. Nageswara Rao Repuri	1130250	10.00	1130250	7.19
<b>Total - A</b>		<b>9761250</b>	<b>86.36</b>	<b>9761250</b>	<b>62.12</b>
<b>Promoter's Group</b>					
1.	Mr. Radha Krishna Reddy Annam Reddy	513750	4.55	513750	3.27
<b>Total - B</b>		<b>513750</b>	<b>4.55</b>	<b>513750</b>	<b>3.27</b>
<b>Total Promoters &amp; Promoter Group Shareholding</b>		<b>10275000</b>	<b>90.91</b>	<b>10275000</b>	<b>65.39</b>

\*Rounded off

## FINANCIAL DETAILS

Based on Restated Financial Statements

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended on			
		March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	1,130.25	753.50	274.00	274.00
2.	Net worth	1,636.01	1,022.00	730.84	620.26
3.	Total Income*	11,400.05	4,565.14	3,560.70	3,077.57
4.	Profit After Tax	614.01	222.66	110.58	83.37
5.	Earnings Per Share – Basic & Diluted (Post Bonus)	5.43	2.10	1.04	0.79
6.	NAV per Equity Shares (Post Bonus)	14.47	9.04	6.88	5.84
7.	Total Borrowings (As per Balance Sheet) (Including Current Maturity of Long-Term Debt)	1,654.81	999.02	1,003.52	659.41

\*Total Income includes Revenue from Operations and Other Income.

For further details, see “Summary of Financial Information”, “Other Financial Information” and “Basis for the Issue Price” on pages 50, 183 and 89.

## AUDITORS’ QUALIFICATIONS

There is no Auditor qualification which have not been given effect to in the Restated Financial Statements.

## OUTSTANDING LITIGATIONS

There are no pending Litigation against our Company nor against our Promoter or Directors of the company except mentioned below:

### Cases against our Company:

Nature of Cases	No of Outstanding Cases	Amount involved (₹ In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	1	Unascertained
Taxation Matters	13	155.70
Other Litigation	--	--

### Cases against our Directors and/or Promoters:

Nature of Cases	No of Outstanding Cases	Amount involved (₹ In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation – Taxation	--	--
Other Litigation	--	--

### Cases against our Group Companies and / or Subsidiaries:

Nature of Cases	No of Outstanding Cases	Amount involved (₹ In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation – Taxation	--	--
Other Litigation	--	--

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Offer Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Offer Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 25 of this Red Herring Prospectus.

## CONTINGENT LIABILITIES

### Based on Restated Financial Statements

(₹ in Lakhs)

Particulars	For the year ended			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
<b>Claims against the Company (including unasserted claims) not acknowledged as debt:</b>				
Guarantees issued by Bank on behalf of the company	714.16	418.79	120.63	146.13
Taxation Litigation against the company	155.70	104.71	65.15	65.15
<b>Total</b>	<b>869.86</b>	<b>523.50</b>	<b>185.78</b>	<b>211.28</b>
<b>Capital Commitment</b>				

Particulars	For the year ended			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
NIL	NIL	NIL	NIL	NIL

### FINANCING ARRANGEMENTS

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

### COST OF ACQUISITION & WEIGHTED AVERAGE COST

**Weighted average price at which the Equity Shares were acquired by our Promoters in Last One Year:**

Sr. No.	Name of Promoters	No. of Equity Shares acquired	Weighted Average Cost of Acquisition per equity share (in ₹) *#
1.	Mr. Rajagopal Reddy Annam Reddy	1626875	Nil
2.	Mrs. Mydhili Rajagopal Reddy	1250125	Nil
3.	Mr. Nageswara Rao Repuri	376750	Nil

### AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *#
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	2.10
2.	Mrs. Mydhili Rajagopal Reddy	3750375	0.72
3.	Mr. Nageswara Rao Repuri	1130250	1.49

\*The average cost of acquisition of Equity Shares by our Promoters has 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.

#Based on Certificate dated July 13, 2024 from peer reviewed Auditors of the company M/s. SVJK and Associates vide UDIN: 24151324BKESIG1034.

### PRE-IPO PLACEMENT

Our Company does not contemplate any fresh issuance of Equity Shares as a pre-IPO placement, from the date of this Red Herring Prospectus till the listing of the Equity Shares.

### ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

Except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash:

- The details of allotment of 3767500 Bonus Equity Shares made on October 30, 2023 in ratio of 2:1 i.e., 2 (Two) fully paid-up Equity Shares for every 1 (One), out of free reserves, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted
1.	Mr. Rajagopal Reddy Annam Reddy	1626875
2.	Mrs. Mydhili Rajagopal Reddy	1250125
3.	Mr. Radha Krishna Reddy Annam Reddy	171250
4.	Mr. Nageswara Rao Repuri	376750
5.	Ms. Dhartiben Trivedi	113059
6.	Mr. Anil Natvarlala Trivedi	113025

Sr. No.	Name of Allottee	No. of Equity Shares Allotted
7.	Mr. Mukesh Dhanjibhai Patel	116416
<b>Total</b>		<b>3767500</b>

For further information, please refer to Chapter titled “*Capital Structure*” on page no. 61 of this Red Herring Prospectus.

#### SPLIT / CONSOLIDATION

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

#### EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS

Our Company has not applied for an exemption from complying with any provisions of securities laws by SEBI, as on the date of this Red Herring Prospectus.

#### RELATED PARTY TRANSACTIONS

##### Related Parties

Related Parties	Nature of Relationship
Mr. Rajagopal Reddy Annam Reddy	Key Managerial Personnel
Mrs. Mydhili Rajagopal Reddy	
Mr. Nageswara Rao Repuri (w.e.f. September 13, 2023)	
Anjali Mukesh Samani	

##### Related Party Transaction during the year:

(₹ in Lakhs)

Particulars	For the year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
<b>Reimbursement of expenses</b>				
Mrs. Mydhili Rajagopal Reddy	-	-	11.27	0.33
Mr. Rajagopal Reddy Annam Reddy	8.62	9.56	19.69	19.65
Mr. Nageswara Rao Repuri	7.91	21.13	1.94	0.76
<b>Vehicle hire charges</b>				
Mrs. Mydhili Rajagopal Reddy	4.31	13.20	-	-
<b>Perquisites</b>				
Mrs. Mydhili Rajagopal Reddy	1.43	-	-	-
Mr. Rajagopal Reddy Annam Reddy	5.59	-	-	-
Mr. Nageswara Rao Repuri	2.14	-	-	-
<b>Remuneration paid</b>				
Mrs. Mydhili Rajagopal Reddy	9.84	9.84	9.84	15.18
Mr. Rajagopal Reddy Annam Reddy	36.00	36.00	36.00	28.75
Mr. Nageswara Rao Repuri	11.25	-	-	-
Anjali Mukesh Samani	1.99	-	-	-

### SECTION III - RISK FACTOR

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 115, 48, 102, 182, 199 and 184 respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus.

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

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

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

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

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

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

#### INTERNAL RISK FACTORS:

1. **Majority of our revenues are generated from state of Gujarat. Any adverse development affecting our operations in this region could have an adverse impact on our business, financial condition and results of operations.**

We derive 89.74 % of our revenue from State of Gujarat for the financial year ended March 31, 2024. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in these regions to expand our operations in other parts of India.

Revenue from projects undertaken in the state of Gujarat for the past four financial years is mentioned in the table below:

(₹ in lakhs, unless stated otherwise)

Particulars	For the Financial Year ended			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Total Revenue from operations	11,393.16	4,555.70	3,555.34	3,072.08
Revenue from projects in Gujarat	10,223.99	3,884.00	566.33	496.86
% of Total Revenue	89.74	85.26	15.93	16.17

The concentration of our business in Gujarat subjects us to various risks, including but not limited to:

- Regional slowdown in construction activities in the state;
- vulnerability to change of policies, laws and regulations or the political and economic environment of Gujarat;



- constraint on our ability to diversify across states; and
- perception by our potential clients that we are a regional construction company, which may hamper us from competing or securing orders for large and complex projects at the national level.

While we strive to geographically diversify our project portfolio and reduce our concentration risk, we cannot assure you that developments in Rajasthan will not impact our business. If we are unable to mitigate the concentration risk, we may not be able to develop our business effectively and our business, financial condition and results of operation could be adversely affected.

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

For the financial years ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021, our revenue from top five (5) and top ten (10) clients are as follows:

(₹ in Lakhs)

Particulars	For the Financial Year ended							
	March 31, 2024		March 31, 2023		March 31, 2022		March 31, 2021	
	Revenue	%	Revenue	%	Revenue	%	Revenue	%
Revenue from Top 5 Clients	9,171.46	80.50	4,354.98	95.59	3,269.93	91.97	2,668.34	86.86
Revenue from Top 10 Clients	10,877.88	95.48	4,552.30	99.93	3,555.34	100.00	3,089.18	100.56*

\*The Percentage of revenue from top 10 customers exceeds 100% during the FY 2020-21 was due to reversal of unbilled revenue arose during the year due to discontinuation of a project and accounted under the head Revenue from Operations. The restated Profit & Loss account as well as Audited Profit & Loss Account for FY 2020-21 shows revenue from operation by adjusting that reversal from sales of service.

For further details, please see “Our Business - Order Book” on Page 115.

Significant revenue from a limited number of clients increases the potential volatility of our results and exposure to individual contract risks. We may be required to accept onerous contractual terms in our contracts for projects awarded to us by such clients. While, our Company has not experienced such instances in the past, in the event our Company is unable to comply with its obligations in any contract with such top five (5) and top ten (10) clients, it would result in a substantial reduction in the number of contracts awarded by such client in future resulting in an impact on the overall business and revenue generated by the Company from such client. Further, such concentration of our business on selected projects or clients may have an adverse effect on our results of operations.

We cannot assure you that we can maintain the same levels of business from our top clients. Furthermore, events such as adverse market conditions, any restructuring or changes in the regulatory regime, could adversely affect our clients and consequently impact our business.

Our experience in the infrastructure sector and ability to offer timely and efficient completion of work as per the agreed terms has enabled us to maintain our continued eligibility and become pre-qualified for bidding in contracts offered by our clients. However, in the event we are unable to complete our projects within the time period prescribed under our contracts or within extended period of contract, or the quality of our work deteriorates, then our relationship with our clients may get severed and we may not get further orders from our current clients which could adversely affect our business.

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

Typically, projects in the infrastructure sector which we undertake are working capital intensive in nature and involve long implementation periods. This requires us to obtain financing through various means. As on March 31, 2024, our total short-term borrowings stood at ₹ 1,441.93 Lakhs. We may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company, and could adversely impact our Equity Share price.

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

**4. Our failure to perform in accordance with the standards prescribed in work order of our client could result in loss of business or compensation payment.**

We received work orders with deadlines from our clients. Majority of these work orders may require us to comply with the code of conduct and rules and regulations prescribed by our clients, which may increase our compliance costs. We may be unable to effectively address service constraints or accurately predict service requirements, as a result of which our clients may experience service shortfalls. Further any disruptions to our businesses as a result of actions outside of our control, could significantly impact the continued performance of our obligations to meet the quality or performance standards set out in our client contracts which may in-turn harm and cause clients to terminate their contracts with us, impair our ability to obtain renewal of our contracts from existing clients and impair our ability to grow our client base, any of which could affect our business, financial condition and results of operations. In the event that we are unable to meet the prescribed obligations, we may also be required to pay compensation to our clients on the terms set out in our contracts. In certain instances, we may also be required to bear consequential liability. Certain work order may also require us to provide indemnities to our clients with respect of any negligent act or omission by or misconduct of our employees. In the event there is an increase in claims against us for which we are not insured, our business, financial condition and results of operations may be affected.

**5. 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 proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoters and Group Company, as at the date of this Red Herring Prospectus.

**Cases against our Company:**

Nature of Cases	No of Outstanding Cases	Amount involved (₹ In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	1	Unascertained
Taxation Matters	13	155.70
Other Litigation	--	--

**Cases against our Directors and/or Promoters:**

Nature of Cases	No of Outstanding Cases	Amount involved (₹ In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation – Taxation	--	--
Other Litigation	--	--

**Cases against our Group Companies and / or Subsidiaries:**

Nature of Cases	No of Outstanding Cases	Amount involved (₹ In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Other Litigation – Taxation	--	--
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 Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 199 of this Red Herring Prospectus.

**6. *Our positioning in terms of size/operation in the state of Gujarat may not be maintained.***

We are one of the significant players in the state of Gujarat in water supply projects. The construction industry in Gujarat is characterized by intense competition and a dynamic market environment. We operate in a sector with numerous players, including established largescale construction firms and also small local contractors. Our positioning in the state of Gujarat may get downgraded in terms of its size/operations due to entry of national/global players in the industry or by faster growth of our competition in comparison to our Company.

While we strive to geographically diversify our project portfolio and reduce our dependency on certain state, we cannot assure you that adverse developments associated with the region will not affect our business.

**7. *Our Restated Financial Statements are reviewed and Signed by the Peer Review Auditors who is not Statutory Auditors of our Company as required under the provisions of ICDR.***

Although, our statutory auditor, M/s PARY & Co., Chartered Accountants, is holding valid peer review certificate, issued by the Peer Review Board of the Institute of Chartered Accountants of India, as on the date of this Red Herring Prospectus, our Restated Financial Statements are reviewed and signed by M/s. SVJK and Associates, Chartered Accountants, the Peer Review Auditors who is not the Statutory Auditor of the company.

**8. *Projects undertaken through a joint venture may be delayed on account of the performance of the joint venture partner or, in some cases, significant losses from the joint venture may have an adverse effect on our business, results of operations and financial condition.***

While we execute most of the projects ourselves, we also form project-specific joint ventures and consortiums with other entities in the infrastructure and construction business. For instance, when a project stipulates certain specific eligibility requirements such as type of experience and expertise, we bid for such projects through joint venture entities formed for being eligible to bid for such specific projects. In such cases, the completion of the contract also depends on the performance of our joint venture partner(s).

If the joint venture partner fails to perform its obligations as per the requirements of the contract, it could result in breach of the terms of the contract awarded to the joint venture and we may be required to pay penalties and/or liquidated damages, or the client may invoke our performance guarantees. Further, given that the liability of joint venture partners is joint and several, in the event our joint venture partner fails to perform its obligations, we would be liable for completion of the entire project awarded to such joint ventures. Failure to effectively protect ourselves against risks for any of these reasons could expose us to costs and potentially lead to material losses, which could adversely affect our business, results of operations and financial condition.

The inability of a joint venture partner to continue with a project under any unforeseeable circumstance, may lead to an additional responsibility on us for completion of the project and correspondingly greater share of the financial risk of the project. Any disputes that may arise between us and our joint venture partners may cause delays in completion or the suspension of the project.

**9. *There is no assurance of customer continuity in our business and we are required to submit bids for each project on a competitive basis.***

The growth of our business depends on our ability to obtain projects including by way of being awarded tenders pursuant to competitive bidding process. The construction industry in India is highly competitive. While selecting contractors for a project, clients generally award the tender to contractors that prequalify based on several criteria including project execution experience, technical strength, performance capabilities, financial soundness, quality standards, etc. Besides, the bid price also forms a key factor for selection. The bidding process is necessarily followed for award of contracts by our clients even though we may have been selected and successfully executed earlier projects for the same clients.

The government-conducted tender processes may also be subject to change in qualification criteria. If we are not able to outgrow the eligibility standards compared to that of our competitors, we may not be successful in bidding for various projects, thereby attracting disqualification and making us ineligible for submitting such proposals. Further,

even if we meet the pre-qualification criteria, there is no assurance that we will be able to quote most competitive / lowest proposal amongst all applicants for obtaining the contracts.

These factors may limit us in getting contracts and may result in affecting our business, prospects, financial condition and results of operation.

**10. *Bidding for a tender involves various management activities such as detailed project study and cost estimations. Inability to accurately estimate the cost may lead to a reduction in the expected rate of return and profitability estimates.***

For every project, a notice for invitation of tender is issued by the relevant government or statutory body which requests interested participants to offer their bids. Prior to making a bid for a particular project and participating in a tender, we undertake various activities such as management discussions, project feasibility study, site study, cost estimations, materials and equipment suppliers, required for calculation of the estimated cost of the project. Moreover, other ancillary expenses such as market escalation, supervisory, design, contingency expenses and profitability margins, depending from project to project, is also considered for determining the final bid amount.

Accordingly, all of the bid amounts are based on estimates of the project cost, the fluctuation of which, either marginally or substantially, may impact our margins adversely. Further, we may incorrectly or inadequately estimate the project cost leading to lower bid amount affecting our profitability, in case the project is awarded to us. Excess estimation of costs may lead to higher bid amount by us owing to which, we may not be awarded a contract which may substantially impact our results of operations and financials. Although we strive to achieve success for every bid we make, there is no guarantee that we would be successful in winning all the projects that we bid for.

Further, as most of the projects involve long implementation periods (i.e., are spread over a longer period of time), cost escalation in our industry is a frequent issue although most of the agreements includes clauses relating to cost escalations. Therefore, any sudden fluctuations in costs or material availability or any other unanticipated costs will substantially impact the business operations, cash flows and financial condition.

**11. *Our ongoing projects are exposed to various implementation risks and uncertainties and may be delayed, modified or cancelled for reasons beyond our control, which may adversely affect our business, financial condition and results of operation.***

As on the date of red herring prospectus, we have 15 major on-going projects involving laying of pipelines and construction of water treatment plants etc. The execution of these projects involves various implementation risks including delays attributable to construction, supply of materials, obtaining government and statutory approvals, unanticipated increase in cost, force majeure events, cost overruns or disputes with our joint venture partners. Further, we are subject to various risks associated with regulatory approvals and financial requirements for the execution of these projects, which may render the projects unprofitable.

Certain implementation risks and uncertainties which may be experienced by us, in the conduct of our business include:

- (a) Significant additional costs due to project delays;
- (b) Clients seeking liquidated damages on account of failure to achieve the project timelines;
- (c) Termination of contracts or rejection in extension of project timelines;
- (d) Inability to avail finance required for the execution of the project at affordable costs;
- (e) Inability to provide the requisite guarantees / enter into financial arrangements, as required under project contracts / agreements;
- (f) Unforeseen issues arising out of engineering designs for the projects, disputes with workers, force majeure events and unanticipated costs due to any amendments in plans and specifications;
- (g) Risk of equipment failure or industrial accidents that may cause injury and loss of life, and severe damage to and destruction of property and equipment;
- (h) Availability and price increase in relation to the materials and skilled manpower required for the execution of the project;
- (i) Inability of the relevant authorities to fulfil their obligation prior to construction of a project, in accordance with the relevant contracts, resulting in unanticipated delays;
- (j) Delays on account of performance of the sub-contractors or the joint ventures of the Company.

**12. *We operate in the construction industry where there are low entry barriers. Our failure to successfully compete may adversely affect our business, financial condition, results of operations and prospects.***

We are an EPC company with experience in design and construction of various infrastructure projects for the State Government, local bodies and private bodies. Our principal business operations are broadly divided into four categories: (i) **Water Pipeline Construction**; (ii) **Irrigation Projects** and (iii) **Road Construction** (iv) **Building Construction**. Our Company operates in an intense competitive landscape.

The construction sector is characterized by low barriers to entry, wherein large or small enterprises who may be operating in other sectors can build up pre-qualifications, independently or through joint ventures, and bid and compete with us for projects in this sector. The presence of numerous competitors, including both established and newly qualified entities, may result in heightened competition for projects, contracts, and clients.

**13. We have entered into a number of related party transactions and may continue to enter into such transactions under AS 18, in the future, and there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.**

We have, in the past, entered into related party transactions with various parties. A summary statement of the related party transactions is as follows:

(₹ in Lakhs)

Particulars	For the year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
<b>Reimbursement of expenses</b>				
Mrs. Mydhili Rajagopal Reddy	-	-	11.27	0.33
Mr. Rajagopal Reddy Annam Reddy	8.62	9.56	19.69	19.65
Mr. Nageswara Rao Repuri	7.91	21.13	1.94	0.76
<b>Vehicle hire charges</b>				
Mrs. Mydhili Rajagopal Reddy	4.31	13.20	-	-
<b>Perquisites</b>				
Mrs. Mydhili Rajagopal Reddy	1.43	-	-	-
Mr. Rajagopal Reddy Annam Reddy	5.59	-	-	-
Mr. Nageswara Rao Repuri	2.14	-	-	-
<b>Remuneration paid</b>				
Mrs. Mydhili Rajagopal Reddy	9.84	9.84	9.84	15.18
Mr. Rajagopal Reddy Annam Reddy	36.00	36.00	36.00	28.75
Mr. Nageswara Rao Repuri	11.25	-	-	-
Anjali Mukesh Samani	1.99	-	-	-

While we believe that our past related party transactions have been conducted on an arm's length basis, the Company confirm that these transactions are in compliance with the relevant provisions of the Companies Act, 2013, and all other applicable laws.. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance to you that such transactions in the future or any other future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, cash flows, financial condition and results of operations. Further, such transactions in the future or any future transactions with our related parties, either individually or in the aggregate, may potentially involve conflicts of interest. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

**14. Our profitability and results of operations may adversely be affected in the event of any disruption in the supply of materials or an increase in the price of materials, fuel costs, labour etc.**

The timely and cost-effective execution of our projects is dependent on the adequate and timely supply of key materials such as cement, steel, pipes etc. We cannot assure you that we will be able to procure the required and adequate supplies of materials in the future, on commercially acceptable terms. If we are unable to procure the requisite quantities of materials on timely basis on commercially acceptable terms, the performance of our business and results of operations may be adversely affected.

Further, the cost of materials, fuel for operating our construction and other equipment, labor and other inputs constitutes a significant part of our operating expenses. The prices and supply of materials depend upon factors that are beyond our control, including but not limited to general economic conditions, transportation costs, global and domestic market



prices, competition, production levels, import duties, and these prices are cyclical in nature. Our ability to pass on increases in the purchase price of materials, fuel and other inputs may be limited in the case of contracts with limited price escalation provisions. These variations and other risks generally inherent to the construction industry may result in our profits from a project being less than as originally estimated or may result in our experiencing losses. For details, please see “*Restated Financial Information – Restated Statement of Profit and Loss*” on page 182.

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

In the course of our operations, we may encounter construction faults on account of factors including design related deficiencies arising in our projects. Such construction related faults typically result in revision / modification to our design and engineering, thereby resulting in increased interest cost due to delay, increase in estimated cost of operations on account of additional work executed towards rehabilitation and further expenditure incurred towards appointment of external consultants for assistance in revising our design. We may not be able to recover such increased costs from our clients in part, or at all, and may further be subject to penalties, including liquidated damages on account of such construction faults arising in our projects. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults, and are dependent upon our clients’ permitting extension of time of completion of such projects.

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

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

**16. *Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations and some of the approvals are required to be transferred in the name of ‘V.L.Infraprojects Limited’.***

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state and local government rules in India, generally for carrying out our business and for our manufacturing facilities. Some of these approvals are granted for a limited duration. While we are required to obtain a number of approvals for legally conducting our business operations and we shall submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations. For details, see “*Government Approvals*” on page 206 of this Red Herring Prospectus.

We have submitted certain applications to various regulatory authorities seeking approvals and licenses. For details, please refer ‘Pending Approvals’ under the section titled “*Government Approvals*” of this Red Herring Prospectus. There can be no assurance that the relevant authorities will issue such permits or approvals to us or that they will be issued on time. Further, these permits, licenses and approvals are subject to several conditions and we cannot assure you that we will be able to continuously meet the conditions, which may lead to cancellation, revocation or suspension of relevant permits/licenses/approvals.

Additionally, we will need to apply for renewal of certain approvals, licenses and registrations, which need to update pursuant to conversion of Private to Public Company i.e. from V.L.Infraprojects Private Limited to V.L.Infraprojects Limited.

**17. *We may be unable to identify or acquire new projects and our bids for new projects may not always be successful, which may stunt our business growth. Further, any delay in the commencement or cancellation of the projects awarded to us may adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.***



Our revenues are derived primarily from contracts awarded to us on a project-by-project basis, and a significant number of projects in the construction industry are undertaken on a non-recurring basis.

In the event that we are not able to continually and consistently secure new projects of similar or higher value as the ones that we have executed in the past or are currently executing, and on terms and conditions that are favourable to us, our financial performance, our results of operations and cash flows may be adversely affected or fluctuate materially from time to time depending on the timing and nature of such contracts. Accordingly, it is difficult to predict whether and when we will be awarded a new project. If we are unable to identify or acquire new projects matching our expertise or profit expectations or obtain the requisite consents from regulatory authorities or other relevant parties when required or at all, we may be subject to uncertainties in our business.

**18. Our inability to successfully implement our business plan, expansion and growth strategies could have an adverse effect on our business, financial condition, cash flows and results of operations.**

We have expanded our operations and experienced substantial considerable growth over the last few years. We cannot assure you that we will be able to maintain our historical growth rates or our market position. Such growth requires us to manage complexities across all aspects of our business, including those associated with Managing Capex Plant of the company increased headcount, execution on new lines of business and implementations of appropriate systems and controls to grow the business. Our continued growth requires significant time and attention from our management and may place strains on our operational systems and processes, financial systems and internal controls and other aspects of our business. We cannot assure you that we will be able to successfully implement our business expansion plans and growth strategies. If any of the aforementioned risks were to materialize, our business, financial condition, cash flows and results of operations may be adversely affected.

**19. We have certain contingent liabilities that have not been provided for in our Company’s financials which if materialized, could adversely affect our financial condition.**

The following table sets forth our contingent liabilities for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 and March 31, 2021 as per the Restated Financial Information:

Particulars	For the year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
<i>(₹ in Lakhs)</i>				
<b>Claims against the Company (including unasserted claims) not acknowledged as debt:</b>				
Guarantees issued by Bank on behalf of the company	714.16	418.79	120.63	146.13
Taxation Litigation against the company	155.70	104.71	65.15	65.15
<b>Total</b>	<b>869.86</b>	<b>523.50</b>	<b>185.78</b>	<b>211.28</b>
<b>Capital Commitment</b>				
NIL	NIL	NIL	NIL	NIL

**20. Any failure to accurately estimate the overall risks, revenues or costs in respect of a project, may adversely affect our profitability and results of operations. Our actual cost in executing a contract or in constructing a project may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.**

Under the terms and conditions of agreements for our projects, we generally agree to receive from the customers an agreed sum of money, subject to contract variations covering changes in the client’s project requirements. We may enter into agreements for the construction of projects in the future which may not contain price escalation clauses covering increase in the cost of construction materials, fuel, labour and other inputs. Accordingly, our actual expense in constructing our construction projects may vary substantially from the assumptions underlying our bid for several reasons, including, but not limited to unanticipated increases in the cost of construction materials, fuel, labour or other inputs, unforeseen construction conditions, including the inability to obtain requisite approvals and licenses resulting in delays and increased costs, delays caused by local weather conditions and suppliers’ failures to perform. Our ability to pass-on increases in the purchase price or the cost of raw materials and other inputs may be limited in the case of contracts with limited or no price escalation provisions and there can be no assurance that these variations in cost will not lead to financial losses to our Company. Further, other risks generally inherent to the construction industry may result in our profits from a project being less than as originally estimated or may result in us experiencing losses due to cost and time overruns, which could have a material adverse effect on our cash flows, business, financial condition and results of operations.

**21. Failure to successfully implement our business strategies may materially and adversely affect our business, prospects, financial condition and results of operations.**

We aim to implement our business strategies to ensure future business growth, which may be subject to various risks and uncertainties, including but not limited to the following:

- Failure to maintain our competitive edge due to cost overruns or failure to execute our construction projects in a timely manner or according to quality specifications.
- intensified competition, delayed payments or non-payments by our clients and associated litigation or arbitration proceedings and inability to enforce escalation clauses in our construction contracts.
- failure to implement our bidding strategy.
- inability to make an efficient use of or improve our execution system or fail to maintain or operate our equipment bank, IT/ERP systems and centralized procurement system in an effective and efficient manner.
- lack of ability to properly manage financing resources and unavailability of funds at affordable costs or maintain financial discipline.
- adverse changes in applicable laws, regulations or policies or political or business environments.
- inability to diversify across states or into different business segments.
- lack of ability to recruit or retain skilled employees.
- failure to correctly identify market trends relating to the demand for our services, inability to carry out our strategy of acquiring new construction projects or optimize our existing project portfolio; and
- increases in costs of raw materials, fuel, labour and equipment and adverse movements in interest rates and foreign exchange rates.
- Corrupt Practices of Fraud or improper conduct

Implementation of our strategies may be subject to a number of risks and uncertainties including the ones mentioned above, some of which are beyond our control. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients. In order to manage growth effectively, we must implement and improve operational systems, procedures and controls on a timely basis, which, as we grow and diversify, we may not be able to implement, manage or execute efficiently and in a timely manner or at all, which could result in delays, increased costs and diminished quality and may adversely affect our results of operations and our reputation. Any failure or delay in the implementation of any of our strategies may have a material adverse effect on our business, prospects, financial condition and results of operations.

**22. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.**

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**23. Our operations may be adversely affected in case of industrial accidents, physical hazards and similar risks at our construction sites, which could expose us to material liabilities, loss in revenues and increased expenses.**

While construction companies, including us, conduct various scientific and site studies during the course of bidding for projects, there are always anticipated or unforeseen risks that may arise due to adverse weather conditions, geological conditions, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Use of heavy machineries, handling of sharp parts of machinery by labor during construction activities etc. may result in accidents, causing injury to our laborers, employees or other persons on the site and may prove fatal. Our Company has not faced any material instances of industrial accidents, physical hazards and similar risks at our construction sites in past. However, our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective and this may have a material adverse effect on our reputation, business, financial condition and results of operation.

**24. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and the results of operations.**

As of March 31, 2024, we have ₹ 1,654.81 Lakhs of outstanding debt as per restated financials of the Company.

Our level of indebtedness has important consequences to us, such as:

- Increasing our vulnerability to general adverse economic, industry and competitive conditions;
- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- Limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

**25. *Our Company has in the past has made certain inadvertent erroneous filings under Companies Act, 2013. Further, there have also been instances where our Company has inadvertently filed incorrect information with the RoC in its statutory filings.***

Our Company has in the past has made certain inadvertent erroneous filings under Companies Act, 2013. Further, there have also been instances where our Company has inadvertently filed incorrect information with the RoC in its statutory filings, amended from time to time, as mentioned below:

Company had passed Ordinary Resolution for private placement instead of Special Resolution of members as required under Section 42 and 62(1)(c) for allotment of equity shares as on December 1, 2017 for 500000 Equity Shares.

Company had failed to attach PAS-5 and PAS-4 attachment in Form PAS-3 for further issue of allotment of 290000 equity shares on January 13, 2016.

Certified copy of members resolution and altered Memorandum of Association was not attached in Form SH-7 filed for increased in Authorised Share capital from ₹ 300.00 Lakhs to ₹ 685.00 Lakhs.

Company had failed to file Form MGT-14 and to take approval of members for conversion of unsecured loan into equity on December 1, 2017.

Although the late filing fees levied are small but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no- show cause notice has been issued against our Company till date, in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected. Further we cannot assure you that we may not do delay filings in future and not be subjected to penalty or interest. Further with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

**26. *There have been certain discrepancies in our corporate records and compliances in past. While we have not been subjected to any penalty till date, we are not sure any such non-compliance shall not occur in future.***

Our Company had made allotments of equity shares on further issue basis on January 13, 2016, further the Company had made allotment of equity shares on private placement basis and December 01, 2017. Although all other conditions with respect to the allotment had been complied but the Company had failed to open a separate bank account for aforesaid allotments, a nominal part of the share application money was utilized on November 30, 2017 due to urgent need of funds. The non-compliances were unintentional and occurred due to lack of proper professional advice and without any malafied intentions.

Further the Company has allotted 17,40,000 equity shares as bonus on June 30, 2020. Although all documents related to the allotment were correct, an amount of ₹ 4,35,00,000/- was capitalized towards issue of bonus shares instead of ₹ 1,74,00,000/- , inadvertently ₹ 2,61,00,000/- was classified as securities premium. The above was not a non-compliance and simply wrong classification of reserves and necessary corrections have accordingly been incorporated in restated financials as stated in the RHP.

Our company has taken significant steps to address past non-compliances and ensure ongoing compliance with regulatory requirements. We have filed adjudication applications for past allotments made on January 13, 2016, and December 01, 2017, under Section 454 of the Companies Act, 2013, to seek adjudication of defaults under Section 42 read with Section 62 of the Companies Act, 2013. Furthermore, we have restated our financial statements to correct the oversight in the classification of reserves for the bonus shares allotment on June 30, 2020. This includes the correction of entries related to the issue of bonus shares.

We had filed a suo-moto application for adjudication in terms of Section 454 of the Companies Act, in the above matters and the notice was issued for which hearing was held on June 26, 2024. In respect of the said matter, the Company had appeared through its counsel and have made its representations post which no communication from the concerned authority is said to have been issued. The matter is pending with the concerned authority. We are not sure if any penalty shall not be levied against the Company in respect of the adjudication applications filed in respect of

default under the provisions of Section 42 and Section 62 of the Companies Act, 2013. Further, we cannot assure you that such non-compliances will not occur in the future. In the event of any penalty being imposed against the Company by the concerned authority, the financials of the company shall be adversely affected.

**27. Risks Associated with Unsecured Loans:**

As on March 31, 2024, our Company has unsecured loans amounting to ₹ 541.30 Lakhs from Banks and financial institutions. For further details of unsecured loans of our Company, please refer “Annexure I.3 & I.7” respectively under chapter titled “Restated Financial Information” beginning on page 182 of this Red Herring Prospectus.

**The repayment of these unsecured loans is subject to various risks, including:**

- **Interest Rate Risk:** Changes in interest rates could affect the cost of borrowing and the Company's ability to refinance its debt.
- **Liquidity Risk:** The Company's ability to meet its financial obligations and invest in its growth could be impacted by the need to repay these loans, potentially affecting its liquidity.
- **Credit Risk:** The risk of default by the lenders on their obligations to the Company, which could lead to a loss of the loan amount or require the Company to seek additional financing.
- **Regulatory Risk:** Changes in banking regulations or the financial health of the lending institutions could affect the terms of the loans or the Company's ability to obtain new financing.

**28. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.**

We have secured outstanding debt of ₹ 1,113.51 Lakhs as on March 31, 2024 and we have secured our lenders by creating charge over our movable and immovable properties. In the event we default in repayment of the loans availed by us and any interest thereof, our properties may be forfeited by lenders. It may have a material adverse effect on the business, cash flows and financial condition of our company. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to section titled “Restated Financial Information” on page 182 of this Red Herring Prospectus.

**29. Our success depends largely on the skill, experience and continued efforts of our senior management, skilled professionals and unskilled workers and our ability to attract and retain skilled and unskilled personnel.**

We depend significantly on the expertise, experience and continued efforts of the members of our senior management team and other key employees. Our continued success also depends upon our ability to attract and retain a large group of skilled professionals and staff, particularly project managers, engineers, and skilled workers. For instance, we believe that our Chairman and Managing Director & CEO namely Mr. Rajagopal Reddy Annam Reddy, who has over more than 20 years of experience in construction industry. Further, our management team also comprises of a number of qualified, experienced and skilled professionals who have several years of experience across various sectors. Our Company is heavily dependent on the members of our senior management for business development and acquiring new projects, and any inability of these members to execute their responsibilities could result in a loss of business.

The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of skilled professionals could have a material adverse effect on our operations and profitability. Competition for senior management in the industry in which we operate is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. We believe that as a result of the recent growth in the construction industry in India and the expected future growth, the demand for both skilled professionals and staff and unskilled workers has significantly increased in recent years. We may lose skilled workers to competing employers who pay higher wages or be forced to increase the wages to be paid to our employees. If we cannot hire or retain enough skilled professionals or unskilled workers, our ability to bid for and execute new projects or to continue to expand our business will be impaired and consequently, our revenues could decline. Any such loss of the services of our senior management personnel or skilled professionals could adversely affect our business, prospects, financial condition and results of operation.

**30. We are exposed to the risks of malfunctions or disruptions of information technology systems.**

We depend on information technology systems and accounting systems to support our business processes, including designing, planning, execution, procurement, inventory management, quality control, product costing, human resources and finance. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. While, our Company has not experienced such instances in the past, effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.



**31. A significant number of our project contracts prescribe a requirement for maintaining retention money during the defect liability period. Any dispute or delay to obtain a release of such retention monies in a timely manner or at all may have an adverse impact upon our profitability, results of operations and financial position.**

A some of the projects that we have undertaken, or currently undertake, prescribe a requirement for maintaining retention money during the defect liability period. The defects liability period typically commences upon the provision of the virtual or final completion certificate to us by our customers. There can be no assurance that such retention money will be remitted by our clients to us on a timely manner. We may make provisions for bad debts, which includes those arising from release of retention money. Any delay to obtain a release of such retention monies, may have an adverse impact upon our profitability, results of operations and financial position.

**32. We may need to raise additional capital in the future for working capital and we may not be able to do so on favourable terms or at all, which would impair our ability to operate our business or achieve our growth objectives, which may have an adverse effect on our results of operations and business.**

Our business requires us to raise funds from various sources and we have significant working capital requirements to undertake a variety of activities for the successful implementation of the projects, such as the purchase or manufacturing of raw materials and mobilization of resources, before the aggregate payment is received from clients. Further, delays in completion of our current projects can also raise our working capital requirements resulting from increased financing costs including increased costs of raw materials causing us to exceed our budget. It is generally difficult to predict whether or when a particular contract we have bid for will be awarded to us and the time period within which we will be required to mobilize our resources for the execution of such contract. Any increase in the number and size of the projects awarded to us will result in a further increase in our working capital requirements. Additionally, our working capital requirements may increase if, in certain contracts, payment terms include reduced advance payments or payment schedules that specify payment towards the end of the project or are less favorable to us.

Our estimated requirement for working capital is based on certain assumptions, including the period of commencement and timeframe for execution of a project. Any change of such assumptions would result in changes to our working capital requirements. Additionally, our requirement for working capital may vary from that estimated in the section “Objects of the Issue” beginning on page 80 in this Red Herring Prospectus, leading to a shortfall in the working capital requirement at our end. Accordingly, our working capital estimates may prove to be inaccurate and consequently, there may be insufficient arrangements with respect to the net proceeds from the issue, borrowings, bank finance or institutional finance. Thus, we may need to incur additional indebtedness in the future to satisfy our working capital requirements. Our working capital needs thus require continued access to significant amounts of capital on acceptable terms in the future as well. There can be no assurance that we will be successful in obtaining the adequate working capital which will adversely affect our cash flows, business, results of operation and financial condition.

**33. Wage pressures and increases in operating costs in India may prevent us from sustaining our competitive advantage and may reduce our profit margins.**

Wage costs as well, as operating costs, in India have historically been significantly lower than wage costs and operating costs in the other developed economies; and these reduced costs have been one of the sources of our competitive strengths.

However, wage and operating expense increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. Wages in India are increasing at a faster rate than in the developed economies, which could result in increased employee benefit expenses. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition.

**34. Our business is capital intensive. Difficult conditions in the global capital markets and the global economy generally may adversely affect our business and results of operations and may cause us to experience limited availability of funds. We cannot assure you that we will be able to raise sufficient financing on acceptable terms, or at all.**

Our business is capital intensive, requiring substantial capital to develop and market our projects. The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our projects, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing, if available, could increase our interest cost and require us to comply with additional restrictive covenants in our financing agreements. In addition, the Indian regulations on built-up infrastructure and construction and development projects impose significant restrictions on us, including the types of financing activities we may engage in. Our ability to obtain additional financing on favourable commercial terms, if at all, will depend on a number of factors, including:

- Our results of operations and cash flows;

- The amount and terms of our existing indebtedness;
- General market conditions in the markets where we operate; and
- General condition of the debt and equity markets.

In addition, changes in the global and Indian credit and financial markets may affect the availability of credit to our customers and decrease in demand for our development. Our inability to obtain funding on reasonable terms, or at all, would have an adverse effect on our business and results of operations.

**35. *We source a large part of our new orders from our relationships with our customers, both present and past. Any failure to maintain our long-standing relationships with our existing customers or forge similar relationships with new ones would have a material adverse effect on our business operations and profitability.***

We believe that our focus on completing projects in a timely manner and on quality has helped us build strong relationships with our customers and bolster our reputation in the industry in which we operate. Further, we have received additional projects from several of our existing customers despite increased competition in the region within which we operate. If any of our relationships with our existing customers were to be altered or terminated and we are unable to forge similar relationships with new customers in the future, our business, financial condition, results of operations, cash flows and business prospects could be materially and adversely affected.

**36. *We may not be able to adequately protect our intellectual property, which could harm the value of our brand and services.***

Generating and maintaining recognition for our brand is critical to our business. The success of our business depends on our ability to use our trademarks in order to compete effectively in existing markets and increase penetration and awareness for our brand and further promote our business in newer markets. However, it is possible that we are not aware of misuse of our trademarks which could potentially cause loss of our reputation, which could impact our business and may even affect our goodwill.

While we have endeavoured to register our trademarks that we use or have used in the past, even if these trademarks are not registered, those that have garnered a reputation over the years and are associated with us are protected under common law allowing us to prevent a third party from using a deceptively similar or identical mark and from any unauthorized use of the mark. The use of a deceptively similar or identical third-party mark may result in a loss/injury to us. While for registered trademarks, we have greater protection because of the statutory protection afforded against similar marks being used /registered for similar services, we may not be able to adequately protect unregistered marks that are not as well recognized. Although our company has not encountered any unauthorized use of our intellectual property in the past, we may not be able to ensure protection of the same in future. For further details, please see “Government Approvals” on page 206.

**37. *Our Promoters and members of Promoter Group or third party have provided their personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoter, members of promoter group or third party have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked by promoter, members of Promoter group or third party, the lenders for such facilities may require alternate properties as mortgages/guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities.

We may not be successful in procuring alternative properties/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 may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

**38. *We face significant competition and if we fail to compete effectively, our business, prospects, financial condition and results of operations will be adversely affected.***

We operate in a competitive environment and our industry has been frequently subject to intense price competition for the acquisition and bidding of projects. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. We compete against major construction companies at the national and local levels and in multiple segments of construction business. For further details, please see the section entitled “Business Overview- Competition” on page 115. While service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience, are important considerations in clients’ decisions, price is a major factor in most contract awards. We may thus be compelled to bid for new projects more aggressively than we expected and may accept terms and conditions that are not in our favour. If we fail to win new projects, we may not be able to increase, or maintain, our volume of business or revenues. Failure



to compete effectively against our current or future competitors may have a material and adverse effect on our business, financial condition and results of operation.

Further, some of our competitors may be larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. They may also benefit from greater economies of scale and operating efficiencies and may have greater experience in construction business. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. We may also decide not to participate in some projects as accepting lower margins may not be financially viable and this may adversely affect our competitiveness to bid for and win future contracts. We cannot assure you that we can continue to compete effectively with our competitors in the future, and failure to compete effectively against our current or future competitors may have an adverse effect on our business, results of operations and financial condition. Competition can place downward pressure on our contract prices and profit margins, and may force us to accept contractual terms and conditions that are not normal or customary for us, thereby increasing the risk that we may have losses on such contracts. Intense competition is expected to continue in these markets, presenting us with significant challenges in our ability to maintain strong growth rates and acceptable profit margins. If we are unable to meet these competitive challenges, we could lose market share to our competitors and experience an overall reduction in our profits.

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

Our top ten suppliers contribute 82.87%, 84.90%, 64.09% and 67.85% of our total purchase from operations for the financial year ended on March 31, 2024, 2023, 2022 and 2021, respectively. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time. The details of contribution of top suppliers in purchase of total purchase is given below:

Particulars	% contribution to total purchases of materials and stock in trade			
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Top 1 Supplier	27.99	35.18	19.82	23.49
Top 3 Suppliers	63.41	64.28	41.42	37.29
Top 5 Suppliers	72.52	76.90	53.83	48.46
Top 10 Suppliers	82.87	84.90	64.09	67.85

**40. Dependence on Permit Extensions and Potential Project Delays**

Our operations are significantly dependent on obtaining and maintaining permits for our ongoing projects. Currently, we have applied for permit extensions for the following ongoing projects:

1. GWSSB/HME - Kudasan Project
2. GWSSB- Barwala Project
3. GWSSB/SPUN - Dhanduka Project

**Current Status:**

We have submitted applications for extensions for the above ongoing projects, but approval is pending with the Government. Delays or denials of these extensions could have a material adverse effect on our financial condition and results of operations.

**Potential Impacts:**

- **Project Completion Delays:** Unapproved extensions could lead to delays in project completion, impacting our ability to meet contractual obligations and recognize revenue. This could result in lost profits and potential penalties for missed deadlines.
- **Increased Costs:** Delays may necessitate additional costs for labor, materials, or equipment due to changes in market conditions or the need to extend existing contracts.

- Disruption of Operations: Delays in ongoing projects could disrupt our overall operations and impact our ability to take on and to complete new projects, hindering our growth plans.

The pending approval of permit extensions for our ongoing projects poses a significant risk to our operations and financial performance. We are actively engaging with the relevant government authorities to expedite the approval process

- 41. *We engage sub-contractors and other agencies in our business. The timely and successful completion of our projects in certain cases depends upon the cooperation of our sub-contractors, and any failure or delay in successful completion could adversely affect the quality of our developments and adversely affect our profitability, business and reputation.***

We rely on third parties for the implementation of projects where we have entered into arrangements with them for the supply of labour, equipment and raw material. Accordingly, the timing and quality of construction of our projects also depends on the availability and the skill of such sub-contractors. Typically, construction contracts are subject to specific completion schedule requirements with liquidated damages chargeable in the event that a project falls behind schedule. Thus, where we sub-contract any part of a project, the completion of the project in a timely manner often depends, in part, upon the performance of our sub-contractors. Delay or failure on the part of sub-contractors to complete their work on time, for any reason, could result in additional costs to us and damage to our reputation.

Additionally, the amount of such additional costs could have an adverse effect on our profit margins on the project. While we may seek to recover these amounts as claims from the relevant supplier, vendor, sub-contractor or other third party responsible for the delay or for providing non-conforming products or services, we cannot assure you that we will recover all or any part of these costs in all circumstances. Performance problems for existing and future projects could cause our actual results of operations to differ materially from those anticipated by us and could damage our reputation within our industry and consequently, have a detrimental effect on our customer base.

- 42. *Our reliance on raw material suppliers for our business operations exposes us to a variety of risks which could materially disrupt our operations.***

Timely and cost effective execution of our projects is dependent on adequate and timely supply of raw materials, chief amongst them being steel, cement, Concrete, Brick etc.. We have not entered into any long term contracts or supply arrangements with any of the Company's suppliers and if, for any reason, the Company's primary suppliers should curtail or discontinue their delivery of such materials in the quantities needed, the Company's ability to meet its material requirements for construction contracts could be impaired, its construction schedules could be disrupted, and the Company may not be able to complete construction contracts as per schedule or at such costs that were anticipated.

If the Company is unable to procure the requisite quantities of construction materials in time and at commercially acceptable prices, the performance of its financial results and business prospects could be adversely affected.

- 43. *We could be adversely affected if we fail to keep pace with technical and technological developments in the construction industry.***

Our recent experience indicates that clients are increasingly developing larger, more technically complex projects using more advanced technologies. Our future success will depend, in part, on our ability to respond to technological advances and emerging technology standards and practices on a cost-effective and timely basis. To meet our clients' needs, we need to continuously update existing technology and equipment for our construction services. To meet our clients' needs, we must continuously update our existing systems and develop new technologies for our construction projects. In addition, rapid and frequent technological and market demand changes can often render existing technologies and equipment obsolete and result in requirements for additional and substantial capital expenditures and/or significant write downs of our assets. The cost of upgrading or implementing new technologies, upgrading our existing equipment or expanding capacity could be significant. If we fail to anticipate or respond adequately to our clients' changing requirements or keep pace with the latest technological developments, our business, prospects, financial condition and results of operations may be materially and adversely affected.

- 44. *Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or labour contractor or sub-contractor any other kind of disputes with our employees or labour contractor or sub-contractor***

Our operations depend upon the productivity of workforce, which may be affected by labour disputes involving our sub-contractors or employees or labour contractor. We may experience business disruptions due to strikes, work stoppages or demands for wage increases. Labor unions may order their members to stop working at our construction sites or allege violations of employee rights, laws or agreements. Currently, we do not have any organized union activities. Construction activities at our worksites may be suspended and our projects may be significantly delayed if we fail to negotiate with the sub-contractors, employees or labours, or find acceptable solutions in a timely manner.

Sometimes, we may engage independent contractors to assist us in undertaking our projects. It is possible that we may be held responsible for wage payments to the workers engaged by such independent contractors should they default on wage payments.

**45. We require certain regulatory and statutory approvals and licenses required in the ordinary course of our business, and the failure to obtain, maintain and renew these approvals in a timely manner or at all, may adversely affect our business and operations.**

We require certain statutory and regulatory approvals, licenses, registrations and permissions, and certain applications have been made at the appropriate stages to the relevant authorities for operating our business. If we fail to obtain, maintain and renew any of such approvals or licenses, in a timely manner or at all, the projects for which such licenses are required, and our business may be adversely affected. Furthermore, in our construction business, government delays in obtaining approvals may result in cost increases in the price of construction materials from original estimates which cannot generally be passed on to clients and may also adversely affect our ability to mobilize our equipment and manpower. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. Our government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and require substantial expenditure. If we fail to comply, or a regulator claims we have not complied, with these conditions, our business, financial conditions and results of operations would be materially adversely affected. For further information, please see the section titled “Government Approvals” on page 206 of this Red Herring Prospectus.

**46. Our Company had negative cash flow from operating activity in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

The detailed break up of cash flows based on Restated Financial Statements is summarized in below table and our Company has reported negative cash flow from operating activity in the financial years is as mentioned below, which could affect our business and growth:

(₹ in Lakhs)

Particulars	For the year ended March 31			
	2024	2023	2022	2021
Net cash flows generated/ (used) from operating activities	(175.36)	113.88	(243.73)	49.10
Net cash flows generated/ (used in) investing activities	(180.03)	(55.82)	(19.95)	(133.39)
Net cash flows generated/ (used in)/generated from financing activities	499.49	(45.88)	276.49	61.00
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>144.10</b>	<b>12.18</b>	<b>12.81</b>	<b>(23.29)</b>

**47. The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price.**

Our Promoter’s average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)*
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	2.10
2.	Mrs. Mydhili Rajagopal Reddy	3750375	0.72
3.	Mr. Nageswara Rao Repuri	1130250	1.49

\* The average cost of acquisition of equity shares by our promoters has been calculated by taking into account the amount paid by him to acquire shares by way of allotment and transfer as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

**48. Our Promoters will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.**

Post this Issue, our Promoters will collectively own 62.12% of our post issue equity share capital. As a result, our Promoters will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

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

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

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

We intend to use substantial portion of the Net Issue Proceeds towards meeting the working capital requirement. We intend to deploy the Net Issue Proceeds in financial year 2024-25 and financial year 2025-26 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” on page 80 of this 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 chapter titled “Objects of the Issue” on page 80 of this Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue, subject to approval from Shareholders of the Company. Our Board of Directors will monitor the proceeds of this Issue.

**51. *In the event there is any delay in the completion of the Issue, or delay in schedule of implementation, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the objects of the Issue as has been stated in the chapter titled “Objects of The Issue” on Page 80 of this Red Herring Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, it may adversely affect our revenues and results of operations.

**52. *We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”.***

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer chapter titled “Object for the Issue” beginning on page 80 of this Red Herring Prospectus.

**53. *Certain data mentioned in this Red Herring Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**54. *Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

**55. *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, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, 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.

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge, and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange. case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

**57. *Certain information contained in this Red Herring Prospectus is based on management estimates and we cannot assure you of the completeness or accuracy of the data.***

Certain information contained in this Red Herring Prospectus like our funding requirements and our proposed use of issue proceeds is based solely on management estimates. The estimated project dates as well as costs may change depending on the circumstances like changes in laws and regulations, competition, irregularities or claims with respect to title of land, the ability of third parties to complete their services, delays, cost overruns or modifications to our ongoing and planned projects. Such circumstances can have an impact on our financial condition and results of operation.

**58. *Industry information included in this red herring prospectus has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring prospectus. 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.

**59. *Delays in GST and EPF Returns:***



The Company has a history of delays in filing Goods and Services Tax (GST) and Employee Provident Fund (EPF) returns for some of its establishments. During the financial years 2017-2024, the Company has experienced delays in filing Goods and Services Tax (GST) and during the financial year 2016-2024, the Company has experiences delays in filing of Employee Provident Fund (EPF) returns. Specifically, the data indicates below:

Financial year	Return type	Total number of establishments	Establishments with delayed filings
2023-2024	GSTR3B	9	3
2022-2023	GSTR3B	9	4
2021-2022	GSTR3B	9	7
2020-2021	GSTR3B	9	2
2019-2020	GSTR3B	7	4
2018-2019	GSTR3B	7	5
2017-2018	GSTR3B	3	3

Financial year	Total amount of all establishments paid	Total no. of establishments	Establishments with delayed payments
2023-2024	0.04	1	1
2022-2023	0.05	1	1
2021-2022	0.05	1	1
2020-2021	0.05	1	1
2019-2020	0.06	1	1
2018-2019	0.07	1	1
2017-2018	0.08	1	1
2016-2017	0.02	1	1

The Company may incur penalties and fines for late filing of GST returns, which could negatively impact the Company's financial performance. Delays in filing GST and EPF returns could harm the Company's reputation, potentially affecting its relationships with customers, suppliers, and regulatory authorities. The Company may face operational inefficiencies due to the need to allocate resources to address these delays, which could impact the Company's ability to focus on its core business operations. While The Company has taken measures to rectify this by training their own staff to handle these processes, there is no guarantee that such delays will not occur in the future.

The Company has trained its staff for GST return procedures, emphasizing timely filings and process efficiency. They've also established proactive monitoring for filing deadlines. For EPF returns, the Company has reduced reliance on external consultants by training their staff, ensuring better control and compliance in the filing process.

**60. Our insurance coverage may not adequately protect us against possible risk of loss.**

While we believe that we maintain insurance coverage in amounts consistent with industry norms, our insurance policies do not cover all risks and are subject to exclusions and deductibles. If any or all of our facilities or project sites are damaged, in whole or in part, and our operations are interrupted for a sustained period due to fire and similar perils, there can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption or the costs of repairing or replacing the facilities and project sites. If we suffer a large uninsured loss or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition, results of operations and cash flows may be materially and adversely affected.

**61. We benefit from our relationship with our Promoters and our business and growth prospects may decline if we cannot benefit from this relationship.**

We benefit in many ways from our relationship with our Promoters on account of their knowledge and experience of the construction and infrastructure development and services industry. For brief profiles of our Promoters, please see “Our Promoters and Promoter Group” on page 177. Our growth and future success are influenced, in part, by our continued relationship with them. There is no assurance that we will be able to continue to take advantage of the benefits from these relationships in the future. If we lose our relationship with our Promoters for any reason, our business and growth prospects may decline and our financial condition and results of operations may be adversely affected.



**62. Third party statistical and financial data in this Red Herring Prospectus may be incomplete or unreliable.**

None of the Company, the BRLMs or any other person connected with the Issue has independently verified the third party statistical and financial data in this Red Herring Prospectus which has been sourced from various public and private publications. Industry sources and publications generally state that the information contained therein has been obtained from sources 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. There is no assurance that such information obtained from third party sources and publications will be current or reflect current trends. Further, such industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect.

## EXTERNAL RISK FACTORS

**1. The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.**

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020.

The COVID-19 pandemic has had, and any future pandemic or widespread public health emergency could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including India has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally.

The global impact of the outbreak has been rapidly evolving. As cases of COVID-19 have continued to be identified in additional countries, many jurisdictions, including the governments of India, have reacted by instituting restrictive measures including invoking lock downs and quarantines, requiring the closure of non-essential businesses and placing restrictions on the types of businesses that may continue to operate, mandating restrictions on travel, implementing “shelter-in-place” rules and “stay-at-home” orders, and enforcing remote working regulations. No prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy or localized lockdowns remain unknown.

On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Our business was determined to be operating in an essential industry, which allowed us to continue our operations after the introduction of the lockdown in India, subject to certain adjustments in working patterns.

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Although some restrictions have been eased, it is not yet clear when the lockdown conditions will be fully lifted in India. Further, although we were declared an essential business and were able to adjust our business to continue operating during the lockdown, there can be no assurance that further restrictions will not be introduced or that we will continue to retain such essential status. Further, we may be required to quarantine employees, labours that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees, labours or ceasing our operations as a health measure could potentially adversely affect on our business operations or result in delays in project completion and the timely delivery of our projects to our clients. If any of our suppliers are affected by COVID-19 to the extent that our supply chain is disrupted, this may affect our ability to complete the project.

The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on our project and ability to pay for our raw materials; the disruptions or restrictions on our employees’ labours’ and suppliers’ ability to work and travel; any extended period of remote work arrangements; and strain on our or our clients’ business continuity plans, and resultant operational risk.

The COVID-19 pandemic, or any future pandemic or widespread public health emergency could therefore materially and adversely impact our business, financial condition, cash flows and results of operations.

**2. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.**

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Book Running Lead Manager has appointed Spread X Securities Private Limited as Designated Market Maker for the equity shares of our

Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets 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.

**3. *You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading on stock exchange. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, if the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

**4. *Our operations are subject to environmental, health and safety laws and regulations.***

Our operations are subject to various Central and State environmental laws and regulations relating to the control of pollution in the various locations in India where we operate. In particular, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liability to the Government and third parties, and may result in our incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of the date of this Red Herring Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. Such legal proceedings could divert management time and attention, and consume financial resources in Defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

**5. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the Emerge Platform of National Stock Exchange of India Limited in a timely manner, or at all.***

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

**6. *We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

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

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Further, with the Introduction of the Goods and Services Act, tax rates and its implication may have material impact on our products. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

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

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

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**10. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.**

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

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

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

**PROMINENT NOTES**

- Public Issue of 4410000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the "Issue Price") aggregating to ₹ [●] lakhs ("the issue").
- The Net Asset Value per Equity Share of our Company as per the Restated Financials for the year ended on March 31, 2024, 2023 and 2022 is ₹14.47, ₹ 9.04, ₹ 6.88 and ₹ 5.84 per Equity Share, respectively.
- The net worth of our Company as per Restated Financials as of March 31, 2024 is ₹ 1,636.01 Lakhs.
- Average cost of acquisition of equity shares by our promoters is as follows:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)*
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	2.10
2.	Mrs. Mydhili Rajagopal Reddy	3750375	0.72
3.	Mr. Nageswara Rao Repuri	1130250	1.49

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by him to acquire Shares by way of allotment and Transfer as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

For further details, please refer to chapter titled "Capital Structure" beginning on page no. 61 of this Red Herring Prospectus.

- There has been no change of name of our Company at any time during the last three (3) years immediately preceding the date of filing Red Herring Prospectus, except pursuant to Conversion of company from private Limited to Public Limited.

6. There has been no financing arrangement whereby our directors or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six (6) months preceding the date of this Red Herring Prospectus.
7. Except as stated under the chapter titled “*Capital Structure*” beginning on page no 61 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
8. Except as disclosed in the chapters titled “*Capital Structure*”, “*Our Promoters and Promoter Group*”, “*Information with respect to Group Companies/entities*” and “*Our Management*” beginning on page no. 61, 177, 211 and 162 respectively of this Red Herring Prospectus, none of our Promoter, Directors or Key Managerial Personnel has any interest in our Company.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 89 of the Red Herring Prospectus.
11. Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled “*General Information*” beginning on page 51 of this Red Herring Prospectus.

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

## SECTION IV – INTRODUCTION

### THE ISSUE

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS	
Particulars	Details
<b>Equity Shares Issued*:</b> Public Issue of Equity Shares by our Company <b>of which</b>	Issue of 4410000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Issue Reserved for the Market Makers</b>	240000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Net Issue to the Public</b> <b>of which</b>	4170000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>A. QIB Portion</b>	Not more than 2082000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
a) Anchor Investor Portion	Not more than 1248000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Not more than 834000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
i. Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	Not less than 39000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
ii. Balance of QIB Portion for all QIBs including Mutual Funds	Not less than 795000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>B. Non-Institutional Category</b>	Not less than 627000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>C. Retail Portion</b>	Not less than 1461000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Equity Shares outstanding prior to the Issue</b>	11302500 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	15712500 Equity Shares of face value of ₹10 each
<b>Objects of the Issue/ Use of Issue Proceeds</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 75 of this 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 issue price.

**Note:**

- (1) Fresh Issue of upto 4410000 Equity Shares in terms of Red Herring Prospectus has been authorized pursuant to a resolution passed by our Board of Directors dated February 22, 2024. and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on March 15, 2024.
- (2) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “*Issue Related Information*” beginning on page 224 of this Red Herring Prospectus.
- (3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

- (4) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.
- (5) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (6) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received within the offer price band. 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 “*Issue Procedure*” beginning on page 235 of this Red Herring Prospectus.



---

**SUMMARY OF FINANCIAL INFORMATION**

<b>Sr. No</b>	<b>Particulars</b>	<b>Page Nos.</b>
1.	Summary Restated Financial Information	SRFS- 1 to SRFS- 3

ANNEXURE - I  
STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

					(₹ in Lakhs)	(₹ in Lakhs)
	Particulars	Note	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	1. Shareholders' funds					
	(a) Share Capital	I.1	1,130.25	753.50	274.00	274.00
	(b) Reserves and surplus	I.2	505.76	268.50	456.84	346.26
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	212.88	164.92	238.19	267.97
	(b) Deferred tax liabilities	I.4	6.55	9.69	10.60	7.14
	(c) Other Non-current liabilities	I.5	126.60	87.45	61.82	-
	(d) Long-term provisions	I.6	4.50	3.38	4.82	4.09
	3. Current liabilities					
	(a) Short-term borrowings	I.7	1,441.93	834.10	765.33	391.44
	(b) Trade payables	I.8				
	i) Due to MSME		32.77	-	-	-
	ii) Due to Others		2,137.19	598.13	122.63	269.92
	(c) Other current liabilities	I.9	70.68	116.36	20.82	59.82
	(d) Short-term provisions	I.10	22.29	0.19	0.35	20.66
			<b>5,691.39</b>	<b>2,836.24</b>	<b>1,955.40</b>	<b>1,641.29</b>
<b>II.</b>	<b>1. Non-current assets</b>					
	(a) Property Plant & Equipments and Intangible Assets					
	(i) Property Plant & Equipments	I.11	337.80	186.54	196.31	181.37
	(ii) Capital work-in-progress		60.03	-	-	33.59
	(b) Other Non Current Assets	I.12	1.76	65.09	13.10	28.88
	<b>2. Current assets</b>					
	(a) Investments	I.13	-	10.00	25.00	-
	(b) Inventories	I.14	301.99	281.63	189.69	162.42
	(c) Trade receivables	I.15	1,663.41	758.48	531.58	565.16
	(d) Cash and cash equivalents	I.16	178.19	34.10	21.91	9.10
	(e) Short-term loans and advances	I.17	249.95	208.65	194.47	142.16
	(f) Other Current Assets	I.18	2,898.27	1,291.74	783.34	518.62
	<b>TOTAL</b>		<b>5,691.39</b>	<b>2,836.24</b>	<b>1,955.40</b>	<b>1,641.29</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

For and on behalf of the Board of Directors  
VL INFRA PROJECTS LIMITED

Ankit Singhal  
Partner  
M No.: 151324  
UDIN: 24151324BKESHZ5964

Nageswara Rao Repuri  
Whole-Time Director and CFO  
DIN:07039579

Rajagopal Reddy  
Managing Director  
DIN:07039573

Place: Ahmedabad  
Date : 13th July, 2024

Place: Ahmedabad  
Date : 13th July, 2024

ANNEXURE - II  
STATEMENT OF PROFIT & LOSS, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
I	Revenue from operations	II.1	11,393.16	4,555.70	3,555.34	3,072.08
II	Other Income	II.2	6.89	9.44	5.36	5.49
III	<b>Total Income (I+II)</b>		<b>11,400.05</b>	<b>4,565.14</b>	<b>3,560.70</b>	<b>3,077.57</b>
	<b>Expenses:</b>					
	(a) Cost of materials consumed	II.3	6,641.07	2,442.90	1,485.83	1,228.20
	(b) Purchases of stock-in-trade	II.4	828.41	204.00	-	-
	(c) Employee benefits expense	II.5	147.44	119.11	105.55	120.09
	(d) Finance costs	II.6	196.56	134.09	130.16	120.94
	(e) Depreciation and amortisation expense		48.99	38.04	34.73	11.83
	(f) Other expenses	II.7	2,685.83	1,317.91	1,650.14	1,478.24
IV	<b>Total expenses</b>		<b>10,548.31</b>	<b>4,256.06</b>	<b>3,406.42</b>	<b>2,959.30</b>
				-		
V	<b>Profit/(Loss) before tax and Exceptional Items (III-IV)</b>		<b>851.74</b>	<b>309.08</b>	<b>154.28</b>	<b>118.26</b>
VI	<b>Exceptional Items</b>		-	-	-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>		<b>851.74</b>	<b>309.08</b>	<b>154.28</b>	<b>118.26</b>
VIII	<b>Tax expense:</b>					
	(a) Current tax expense		240.88	87.33	40.25	31.62
	(b) Deferred tax charge/(credit)		(3.14)	(0.91)	3.46	3.28
			<b>237.73</b>	<b>86.42</b>	<b>43.71</b>	<b>34.89</b>
IX	<b>Profit after tax for the year (VII-VIII)</b>		<b>614.01</b>	<b>222.66</b>	<b>110.58</b>	<b>83.37</b>
XII	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus impact with retrospective impact)</b>	II.8				
	(a) Basic (in ₹)		5.43	2.10	1.04	0.79
	(b) Diluted (in ₹)		5.43	2.10	1.04	0.79

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

For and on behalf of the Board of Directors  
VL INFRA PROJECTS LIMITED

Ankit Singhal  
Partner  
M No.: 151324  
UDIN: 24151324BKESHZ5964

Nageswara Rao Repuri  
Whole-Time Director and CFO  
DIN:07039579

Rajagopal Reddy  
Managing Director  
DIN:07039573

Place: Ahmedabad  
Date : 13th July, 2024

Place: Ahmedabad  
Date : 13th July, 2024

ANNEXURE - III  
STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	For the period ended	For the period ended	For the year Ended	For the year Ended
	31/03/2024	31/03/2023	31/03/2022	31/03/2021
<b>Cash Flow From Operating Activities:</b>				
Profit Before Tax	851.74	309.08	154.28	118.26
<b>Adjustments for:</b>				
Depreciation & Amortisation Expense	48.99	38.04	34.73	11.83
Financial Income	(6.89)	(9.44)	(5.36)	(5.49)
Interest Expense (Finance Cost)	196.56	134.09	130.16	120.94
<b>Operating Profit before Working Capital Changes</b>	<b>1,090.40</b>	<b>471.77</b>	<b>313.82</b>	<b>245.55</b>
<b>Changes in Working Capital</b>				
(a) (Increase)/Decrease in Inventories	(20.36)	(91.94)	(27.27)	12.77
(b) (Increase)/Decrease in Trade Receivables	(904.93)	(226.91)	33.59	(201.44)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(1,801.38)	(569.67)	(325.13)	87.48
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	1,548.24	570.88	(206.59)	(75.05)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(88.03)</b>	<b>154.13</b>	<b>(211.58)</b>	<b>69.30</b>
Net Income tax Paid/Refunded	(87.33)	(40.25)	(32.15)	(20.20)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>(175.36)</b>	<b>113.89</b>	<b>(243.73)</b>	<b>49.10</b>
<b>Cash Flow From Investing Activities:</b>				
(a) Sales / (Addition) in Fixed Assets & WIP	(260.26)	(28.27)	(16.09)	(110.40)
(b) (Increase) / Decrease in Investment	10.00	15.00	(25.00)	-
(c) (Increase) / Decrease in Non Current Assets	63.34	(52.00)	15.78	(28.48)
(d) Interest and other income	6.89	9.44	5.36	5.49
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>(180.03)</b>	<b>(55.83)</b>	<b>(19.95)</b>	<b>(133.39)</b>
<b>Cash Flow from Financing Activities:</b>				
(a) Increase/(Decrease) in Long Term Borrowings	87.10	(47.64)	32.04	84.85
(b) Increase/(Decrease) in Short Term Borrowings	607.83	68.78	373.89	93.00
(c) Issue of Share Capital	-	68.50	-	-
(d) Increase / ( Decrease ) in Long Term Provisions	1.12	(1.43)	0.73	4.09
(e) Interest Paid	(196.56)	(134.09)	(130.16)	(120.94)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>499.49</b>	<b>(45.88)</b>	<b>276.49</b>	<b>61.00</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A)+(B)+(C)</b>	<b>144.10</b>	<b>12.18</b>	<b>12.81</b>	<b>(23.29)</b>
<b>OPENING BALANCE – CASH &amp; CASH EQUIVALENT</b>	<b>34.10</b>	<b>21.91</b>	<b>9.10</b>	<b>32.39</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>178.20</b>	<b>34.09</b>	<b>21.91</b>	<b>9.10</b>

As per our Report of even date

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

Ankit Singhal  
M No.: 151324  
UDIN: 24151324BKESHZ5964

Place: Ahmedabad  
Date : 13th July, 2024

For and on Behalf of the Board  
VL INFRA PROJECTS LIMITED

Nageswara Rao Repuri  
Whole-Time Director and CFO  
DIN:07039579

Rajagopal Reddy  
Managing Director  
DIN:07039573

Place: Ahmedabad  
Date : 13th July, 2024

## SECTION V – GENERAL INFORMATION

Our Company was originally incorporated as “V.L.Infraprojects Private Limited” as a private limited company under the provisions of the Companies Act, 2013 and received a certificate of incorporation dated December 19, 2014 from the Registrar of Companies, Gujarat. Later our Company was converted into a Public Limited Company pursuant to special resolution passed by our shareholders in the Extra-ordinary General Meeting of our Company held on August 22, 2023 and the name of our Company was changed to “V.L.Infraprojects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 01, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081602. For details of change in registered office of our Company, please refer to chapter titled “History and Corporate Structure” beginning on page no. 149 of this Red Herring Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details				
Name of Issuer	V.L.Infraprojects Limited				
Registered Office	716, Shivalik Satyamev, Near Vakil Saheb Bridge Bopal, Ahmedabad - 380058, Gujarat, India; <b>Telephone No.:</b> +91 99988 50177; <b>Web site:</b> <a href="http://www.vlil.in">www.vlil.in</a> <b>E-Mail:</b> <a href="mailto:cs@vlil.in">cs@vlil.in</a> <b>Contact Person:</b> Ms. Anjali Mukeshbhai Samani				
Date of Incorporation	December 19, 2014				
Company Identification Number	U45200GJ2014PLC081602				
Company Registration Number	081602				
Company Category	Company Limited by Shares				
Registrar of Company	ROC- Ahmedabad				
Address of the RoC	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat. <b>Phone:</b> 079-27438531				
Company Secretary and Compliance Officer	<b>Ms. Anjali Mukeshbhai Samani</b> V.L.Infraprojects Limited 716, Shivalik Satyamev, Near Vakil Saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India; <b>Telephone No.:</b> +91 99988 50177; <b>Web site:</b> <a href="http://www.vlil.in">www.vlil.in</a> ; <b>E-Mail:</b> <a href="mailto:cs@vlil.in">cs@vlil.in</a>				
Designated Stock Exchange	EMERGE Platform of National Stock Exchange of India Limited <b>Address:</b> Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051				
Issue Programme	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"><b>Bid/Issue Opens On:</b></td> <td style="width: 25%; text-align: center;"><b>Tuesday July 23, 2024</b></td> <td style="width: 25%;"><b>Bid/Issue Closes On:</b></td> <td style="width: 25%; text-align: center;"><b>Thursday July 25, 2024</b></td> </tr> </table>	<b>Bid/Issue Opens On:</b>	<b>Tuesday July 23, 2024</b>	<b>Bid/Issue Closes On:</b>	<b>Thursday July 25, 2024</b>
<b>Bid/Issue Opens On:</b>	<b>Tuesday July 23, 2024</b>	<b>Bid/Issue Closes On:</b>	<b>Thursday July 25, 2024</b>		

#### Note:

Investors can contact the Company Secretary and Compliance officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depository’s beneficiary account or dispatch of refund order etc.

All grievances relating to the ASBA process and UPI Process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted or Sponsor Bank, as the case may be. The Applicant should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, UPI ID (in case of RII’s if applicable), date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Investors shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries/SCSB in addition to the information mentioned hereinabove.

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of following Directors.



Sr. No.	Name	Designation	Address	DIN
1.	Mr. Rajagopal Reddy Annam Reddy	Chairman, Managing Director and Chief Executive Officer	80, Baleshwar Upvan, Bopal-ghuma Road, near HDFC Bank, (Ghuma Branch), Ghuma, Daskroi, Bopal, Ahmedabad, Gujarat – 380058	07039573
2.	Mrs. Mydhili Rajagopal Reddy	Whole Time Director	80, Baleshwar Upvan, Bopal-ghuma Road, near HDFC Bank, (Ghuma Branch), Ghuma, Daskroi, Bopal, Ahmedabad, Gujarat – 380058	07039579
3.	Mr. Nageswara Rao Repuri	Whole Time Director and Chief Financial Officer	Plot No. 116/E and F, Flat No. 302, Sri Kedarnath Residency, Mayuri Nagar Colony, Miyapur, Tirumalagiri, Hyderabad, Telangana-500049	09121019
4.	Mr. Mallikarjuna Katta	Independent Director	H. No. 6-5-29/107, Manasa Pride, Harithavanam Colony, Bachupally, Rangareddi, Andhra Pradesh-500090	10212802
5.	Mr. Kamleshkumar Kantilal Wakharia	Independent Director	203, Shakuntal Apartment, B/H Drive in Cinema, Opp Sarthi-3, Thaltej, Ahmedabad City, Memnagar, Ahmedabad, Gujrat-380052	10212799
6.	Mr. Venkata Rama Krishna Akella	Independent Director	5-153, RB Reddy Nagar Colony, Almasguda, K.V. Rangareddy Telangana- 500058	10212750

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on Page no. 162 of this Red herring Prospectus.

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

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
	
<b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b> <b>SEBI Registration Number:</b> INM000012917 <b>Address:</b> B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India. <b>Telephone Number:</b> 079 49185784 <b>Email Id:</b> mb@beelinemb.com. <b>Investors Grievance Id:</b> ig@beelinemb.com <b>Website:</b> www.beelinemb.com <b>Contact Person:</b> Mr. Nikhil Shah <b>CIN:</b> U67190GJ2020PTC114322	<b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India <b>Tel. No.:</b> 011-40450193-197 <b>Fax:</b> 011-26812683-82 <b>Email:</b> ipo@skylinerta.com <b>Website:</b> www.skylinerta.com <b>Investor Grievance Email:</b> grievances@skylinerta.com <b>Contact Person:</b> Mr. Anuj Rana <b>SEBI Registration No.:</b> INR000003241 <b>CIN:</b> U74899DL1995PTC071324
STATUTORY AUDITORS OF THE COMPANY	PEER REVIEW AUDITORS OF THE ISSUE
<b>M/s. PARY &amp; Co.</b> <b>Chartered Accountants</b> <b>Address:</b> Flat no. 6, 8-2-703/VJ/6, Vijay Villa, 2 <sup>nd</sup> Floor, Road No 12, Bajara Hills, Hyderabad-500034	<b>M/s. SVJK and Associates</b> <b>Chartered Accountants</b> <b>Address:</b> 813, 1 Square Business Park, Near Shukan mall, Science city road, Sola, Ahmedabad-380060

<b>Tel. No.:</b> 9603117555 <b>Contact Person:</b> CA P Vamshi Krishna Reddy <b>Email Id:</b> cavamshikrishna@gmail.com <b>Membership No.:</b> 224674 <b>Peer Review No.:</b> 014555 <b>Firm Registration No:</b> 007288C	<b>Tel. No.:</b> +91 93775 11790 <b>Contact Person:</b> CA Reeturaj Verma <b>Email Id:</b> info.caadvisors@gmail.com <b>Membership No.:</b> 193591 <b>Peer Review No.:</b> 014698 <b>Firm Registration No:</b> 135182W
<b>BANKERS TO THE COMPANY</b>	<b>LEGAL ADVISOR TO THE ISSUE</b>
<b>State Bank of India (SBI)</b> <b>Address:</b> 1-2, Shukan Business Centre, Near Swastik Char Rasta, C.G. Road, Ahmedabad-380009 <b>Email:</b> <a href="mailto:sbi.60399@sbi.co.in">sbi.60399@sbi.co.in</a> <b>Contact Person:</b> Shivam	<b>ANA ADVISORS</b> <b>Address:</b> 118 Shila Vihar, Gokulpura, Kalwar Road Jhotwara, Jaipur-302012 <b>Email:</b> <a href="mailto:anaadvisors22@gmail.com">anaadvisors22@gmail.com</a> <b>Contact Person:</b> Kamlesh Kumar Goyal <b>Tel No.:</b> +91-98879 06529
<b>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</b>	<b>SYNDICATE MEMBER &amp; MARKET MAKER</b>
<b>Axis Bank Limited</b> <b>Address:</b> GF, Abhishree Adroit, Nr. Mansi Circle, Vastrapur, Ahmedabad – 380015. <b>Phone No.:</b> 9925001178 <b>Email ID:</b> <a href="mailto:Vastrapur.branchhead@axisbank.com">Vastrapur.branchhead@axisbank.com</a> <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>Contact Person:</b> Shilpa Rathod <b>Designation:</b> Senior Vice President	<b>SPREAD X SECURITIES PRIVATE LIMITED</b> <b>Address:</b> Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S. G. Highway, Ahmedabad – 380054, Gujarat, India <b>Tel:</b> +91 79 6907 2018 <b>Contact Person:</b> Mrs. Khushbu Nikhilkumar Shah <b>Email Id:</b> <a href="mailto:info@spreadx.in">info@spreadx.in</a> <b>Website:</b> <a href="http://www.spreadx.in">www.spreadx.in</a>

### DESIGNATED INTERMEDIARIES

#### Self-Certified Syndicate Banks

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

#### Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41> .

### BROKERS TO THE ISSUE

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

### REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> , as updated from time to time.

### COLLECTING DEPOSITORY PARTICIPANTS

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

Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## **BROKERS TO THE ISSUE**

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

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

Since Beeline Capital Advisors Private Limited is only Book Running Lead Manager to the issue, all the responsibility of the issue will be managed by them.

## **CREDIT RATING**

As this is an issue of Equity Shares, there is no credit rating for this Issue.

## **IPO GRADING**

Since the issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

## **DEBENTURE TRUSTEES**

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

## **TRUSTEES**

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

## **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10000.00 Lakhs.

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 Red Herring Prospectus.

## **APPRAISING ENTITY**

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

## **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus was filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

Draft Red Herring Prospectus was not filed with SEBI nor SEBI has issued any observation on the draft offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of Draft Red Herring Prospectus has been available on website of the company [www.vlil.in](http://www.vlil.in), Book Running Lead Manager [www.beelinemb.com](http://www.beelinemb.com) and stock exchange [www.nseindia.com](http://www.nseindia.com).

A copy of the Red Herring Prospectus, along with the material documents and contracts required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC situated at Registrar of Companies, Gujarat and through the electronic portal at <http://www.mca.gov.in/mcafoportal>.

## **CHANGES IN AUDITORS**

No changes have taken place in the Auditors during the last three years preceding the date of this Red Herring Prospectus except as disclosed below:

Particulars	Initial Date of Appointment	Date of Appointment / Resignation	Reason for change
<b>M/s. Srinivasa Rao K &amp; Co.</b> <b>Address:</b> H.No.8-3-949/1/1, Flat No. 203, Sri Sai Estates, Nagarjuna Nagar, Ameerpet, Hyderabad - 500 703. <b>Tel No.:</b> + 91 970 115 5118 <b>Email ID:</b> <a href="mailto:ca.kattasrinivas@gmail.com">ca.kattasrinivas@gmail.com</a> <b>Membership No.:</b> 230175 <b>FRN:</b> 016416S <b>Contact Person:</b> G Sravanthi	June 11, 2021	February 05, 2024	Resigned from Statutory Auditors of the company as M/s. Srinivasa Rao K & Co isn't a Peer Reviewed Firm and company is planning to come up with an Initial Public Offer and as per SEBI Listing Regulations, Listed Company should have a Peer Reviewed Statutory Auditors.
<b>M/s. PARY &amp; Co.</b> <b>Chartered Accountants</b> <b>Address:</b> Flat no. 6, 8-2-703/VJ/6, Vijay Villa, 2 <sup>nd</sup> Floor, Road No 12, Bajara Hills, Hyderabad-500034 <b>Tel. No.:</b> 9603117555 <b>Contact Person:</b> CA P Vamshi Krishna Reddy <b>Email Id:</b> <a href="mailto:cavamshikrishna@gmail.com">cavamshikrishna@gmail.com</a> <b>Membership No.:</b> 224674 <b>Peer Review No.:</b> 014555 <b>Firm Registration No:</b> 007288C	February 13, 2024		Appointment to fill Causal Vacancy

## BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and in Regional newspaper Financial Express where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date.

Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the

QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non- Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public 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 may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 217 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 217 of this Red Herring Prospectus.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All



Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page 235 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date	Tuesday, July 23, 2024*
Bid/Issue Closing Date	Thursday, July 25, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday July 26, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday July 29, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Monday July 29, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday July 30, 2024

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail



Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## WITHDRAWAL OF THE ISSUE

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

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

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

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

## UNDERWRITING AGREEMENT

The Company and the Book Running Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by Beeline Capital Advisors Private Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated July 11, 2024 entered into by Company and Underwriter – Beeline Capital Advisors Private Limited, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b> Address: B 1311-1314 Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad - 380054, Gujarat, India. Tel No: +91 79 4918 5784 Email Id: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Investor Grievance Id: <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a> Website: <a href="http://www.beelinemb.com">www.beelinemb.com</a> Contact Person: Mr. Nikhil Shah	4410000	[●]	100%

*\*Includes 240000 Equity shares of ₹10.00 each for cash 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.*

As per Regulation 260(2) of SEBI (ICDR) Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The abovementioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager have entered into an agreement dated July 11, 2024 with the following Market Maker to fulfil the obligations of Market Making:

<b>Name</b>	SPREAD X SECURITIES PRIVATE LIMITED
<b>Correspondence Address:</b>	Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S. G. Highway, Ahmedabad – 380054, Gujarat, India
<b>Tel No.:</b>	+91 79 6907 2018
<b>E-mail:</b>	info@spreadx.in
<b>Website:</b>	www.spreadx.in
<b>Contact Person:</b>	Mrs. Khushbu Nikhilkumar Shah
<b>SEBI Registration No.:</b>	INZ000310930

The Market Maker shall the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the NSE and SEBI in this regard from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of NSE (NSE EMERGE) and SEBI from time to time
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of NSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size (Including the 240000 Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 240000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
6. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE from time to time.
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
9. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
10. 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.
11. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
13. The Market Maker(s) shall have the right to terminate said arrangement by giving a one months' notice or on

mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

14. Risk containment measures and monitoring for Market Makers: NSE SME Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
15. 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.
16. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

S. 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

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

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

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

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

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.

## SECTION VI - CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the issue and after giving effect to the issue, as on the date of filing of the Red Herring Prospectus, is set forth below:

(₹ In Lakh except per share amount)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at issue price
1.	<b>AUTHORIZED SHARE CAPITAL</b> 17000000 Equity Shares of face value of ₹ 10/- each	1700.00	-
2.	<b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE</b> 11302500 Equity Shares of face value of ₹ 10/- each	1130.25	-
3.	<b>PRESENT ISSUE IN TERMS OF THE RED HERRING PROSPECTUS*</b>		
	Issue of 4410000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share.	441.00	[●]
	<b>Which comprises</b>		
	<b>Reservation for Market Maker:</b> 240000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion	24.00	[●]
	<b>Net Issue to Public:</b> 4170000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public	417.00	[●]
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than 2082000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	208.20	[●]
	<b>Allocation to Non-Institutional Investors:</b> At least 627000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	62.70	[●]
	<b>Allocation to Retail Individual Investors:</b> At least 1461000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors	146.10	[●]
4.	<b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b> 15712500 Equity Shares of ₹ 10/- each	1,571.25	-
5.	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		Nil
	After the Issue		[●]

\* The Present Issue of upto 4410000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated February 22, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on March 15, 2024.

### CLASS OF SHARES

The company has only one class of shares i.e., Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Red Herring Prospectus.

Our Company does not have any partly paid-up equity shares as on the date of this Red Herring Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE:

#### 1. Changes in the Authorized Share Capital of our Company:

Since Incorporation of our Company, the authorized equity share capital of our Company has been changed in the manner set forth below:

Sr. No.	Particulars of Increase	Cumulative no. of Equity Shares	Cumulative Authorized Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation	10000	1.00	N.A.	N.A.
2.	Increase in authorized equity share capital from ₹ 1.00 Lakhs to ₹ 50.00 Lakhs	500000	50.00	July 02, 2015	EGM
3.	Increase in authorized equity share capital from ₹ 50.00 Lakhs to ₹ 100.00 Lakhs	1000000	100.00	November 25, 2017	EGM
4.	Increase in authorized equity share capital from ₹ 100.00 Lakhs to ₹ 300.00 Lakhs	3000000	300.00	June 30, 2020	EGM
5.	Increase in authorized equity share capital from ₹ 300.00 Lakhs to ₹ 685.00 Lakhs	6850000	685.00	March 13, 2023	EGM
6.	Increase in authorized equity share capital from ₹ 685.00 Lakhs to ₹ 753.50 Lakhs	7535000	753.50	March 20, 2023	EGM
7.	Increase in authorized equity share capital from ₹ 753.50 Lakhs to ₹ 1700.00 Lakhs	17000000	1700.00	October 23, 2023	EGM

#### History of Paid-up Share Capital:

Our existing Paid-up Equity Share Capital has been subscribed and allotted in the manner set forth below:

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
December 19, 2014	Subscription to Memorandum of Association <sup>(1)</sup>	10000	10	10	Cash	10000	1.00	Nil
December 26, 2015	Bonus Issue <sup>(2)</sup>	190000	10	Nil	Other than Cash	200000	20.00	Nil
January 13, 2016	Further Issue <sup>(3)</sup>	290000	10	10	Cash	490000	49.00	Nil
January 18, 2016	Right Issue <sup>(4)</sup>	10000	10	10	Cash	500000	50.00	Nil
December 1, 2017	Private Placement <sup>(5)</sup>	310000	10	10	Cash	810000	81.00	Nil
December 1, 2017	Conversion of Loan <sup>(6)</sup>	190000	10	10	Other than Cash	1000000	100.00	Nil
June 30, 2020	Bonus Issue <sup>(7)</sup>	1740000	10	Nil	Other than Cash	2740000	274.00	Nil

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
March 15, 2023	Bonus Issue <sup>(8)</sup>	4110000	10	Nil	Other than Cash	6850000	685.00	Nil
March 31, 2023	Rights Issue <sup>(9)</sup>	685000	10	10	Cash	7535000	753.50	Nil
October 30, 2023	Bonus Issue <sup>(10)</sup>	3767500	10	Nil	Other than Cash	11302500	1130.25	Nil

<sup>(1)</sup> The details of Initial Subscription to Memorandum of Association of 10000 Equity Shares on December 19, 2014, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	5000	10	10
2.	Mrs. Mydhili Rajagopal Reddy	5000		
<b>Total</b>		<b>10000</b>	<b>10</b>	<b>10</b>

<sup>(2)</sup> The details of allotment of 190000 Bonus Equity Shares made on December 26, 2015 in ratio of 19:1 i.e., 19 (Nineteen) fully paid-up Equity Shares for every 1 (One), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	95000	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	95000		
<b>Total</b>		<b>190000</b>	<b>10</b>	<b>Nil</b>

<sup>(3)</sup> The details of allotment of 290000 Equity shares made on January 13, 2016, by way of Further Issue, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	70000	10	10
2.	Mrs. Mydhili Rajagopal Reddy	70000		
3.	Ms. Hansa K Chaudhari	50000		
4.	Mr. Radha Krishna Reddy Annam Reddy	50000		
5.	Mr. Nageswara Rao Repuri	50000		
<b>Total</b>		<b>290000</b>	<b>10</b>	<b>10</b>

<sup>(4)</sup> The details of allotment of 10000 Equity Shares made on January 18, 2016, by way of Right Issue, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	5000	10	10
2.	Mrs. Mydhili Rajagopal Reddy	5000		
<b>Total</b>		<b>10000</b>	<b>10</b>	<b>10</b>

<sup>(5)</sup> The details of allotment of 310000 Equity Shares made on December 1, 2017, by way of Private Placement, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mrs. Mydhili Rajagopal Reddy	190000	10	10
2.	Mr. Nageswara Rao Repuri	50000		
3.	Ms Dhartiben Anilkumar Trivedi	50000		
4.	Mr. Ravi Teja Marriboyena	20000		



Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
<b>Total</b>		<b>310000</b>	<b>10</b>	<b>10</b>

(6) The details of allotment of 190000 Equity Shares made on December 1, 2017, by way of conversion of loan, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	190000	10	10
<b>Total</b>		<b>190000</b>	<b>10</b>	<b>10</b>

(7) The details of allotment of 1740000 Bonus Equity Shares made on June 30, 2020 in ratio of 1740:1000 i.e., 1740 (One Thousand Seven Hundred Forty) fully paid-up Equity Shares for every 1000 (One Thousand), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	635100	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	635100		
3.	Mr. Radha Krishna Reddy Annam Reddy	87000		
4.	Mr. Nageswara Rao Repuri	174000		
5.	Ms. Dhartiben Anilkumar Trivedi	174000		
6.	Mr. Ravi Teja Marriboyna	34800		
<b>Total</b>		<b>1740000</b>	<b>10</b>	<b>Nil</b>

(8) The details of allotment of 4110000 Bonus Equity Shares made on March 15, 2023 in ratio of 3:2 i.e., 3 (Three) fully paid-up Equity Shares for every 2 (Two), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	1500150	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	1500150		
3.	Mr. Radha Krishna Reddy Annam Reddy	205500		
4.	Mr. Nageswara Rao Repuri	411000		
5.	Ms. Dhartiben Anilkumar Trivedi	411000		
6.	Mr. Ravi Teja Marriboyna	82200		
<b>Total</b>		<b>4110000</b>	<b>10</b>	<b>Nil</b>

(9) The details of allotment of 685000 Equity Shares made on March 31, 2023, by way of Rights issue, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	616500	10	10
2.	Mr. Nageswara Rao Repuri	68500		
<b>Total</b>		<b>685000</b>	<b>10</b>	<b>10</b>

(10) The details of allotment of 3767500 Bonus Equity Shares made on October 30, 2023 in ratio of 2:1 i.e., 2 (Two) fully paid-up Equity Shares for every 1 (One), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	1626875	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	1250125		
3.	Mr. Radha Krishna Reddy Annam Reddy	171250		
4.	Mr. Nageswara Rao Repuri	376750		
5.	Ms. Dhartiben Anilkumar Trivedi	113059		

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
6.	Mr. Anil Natvarlala Trivedi	113025		
7.	Mr. Mukesh Dhanjibhai Patel	116416		
<b>Total</b>		<b>3767500</b>	<b>10</b>	<b>Nil</b>

2. Except as disclosed below, we have not issued any Equity shares for consideration other than Cash.

i. The details of allotment of 190000 Bonus Equity Shares made on December 26, 2015 in ratio of 19:1 i.e., 19 (Nineteen) fully paid-up Equity Shares for every 1 (One), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	95000	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	95000		
<b>Total</b>		<b>190000</b>	<b>10</b>	<b>Nil</b>

ii. The details of allotment of 1740000 Bonus Equity Shares made on June 30, 2020 in ratio of 1740:1000 i.e., 1740 (One Thousand Seven Hundred Forty) fully paid-up Equity Shares for every 1000 (One Thousand), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	635100	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	635100		
3.	Mr. Radha Krishna Reddy Annam Reddy	87000		
4.	Mr. Nageswara Rao Repuri	174000		
5.	Ms. Dhartiben Anilkumar Trivedi	174000		
6.	Mr. Ravi Teja Marriboyena	34800		
<b>Total</b>		<b>1740000</b>	<b>10</b>	<b>Nil</b>

iii. The details of allotment of 4110000 Bonus Equity Shares made on March 15, 2023 in ratio of 3:2 i.e., 3 (Three) fully paid-up Equity Shares for every 2 (Two), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	1500150	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	1500150		
3.	Mr. Radha Krishna Reddy Annam Reddy	205500		
4.	Mr. Nageswara Rao Repuri	411000		
5.	Ms. Dhartiben Anilkumar Trivedi	411000		
6.	Mr. Ravi Teja Marriboyena	82200		
<b>Total</b>		<b>4110000</b>	<b>10</b>	<b>Nil</b>

iv. The details of allotment of 3767500 Bonus Equity Shares made on October 30, 2023 in ratio of 2:1 i.e., 2 (Two) fully paid-up Equity Shares for every 1 (One), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	1626875	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	1250125		
3.	Mr. Radha Krishna Reddy Annam Reddy	171250		
4.	Mr. Nageswara Rao Repuri	376750		
5.	Ms. Dhartiben Anilkumar Trivedi	113059		
6.	Mr. Anil Natvarlala Trivedi	113025		
7.	Mr. Mukesh Dhanjibhai Patel	116416		
<b>Total</b>		<b>3767500</b>	<b>10</b>	<b>Nil</b>

3. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 230 to 234 of the Companies Act, 2013.
4. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
5. Our Company has not made allotment at price lower than the Issue Price during past one year from the date of the Red Herring Prospectus except mentioned below:

The details of allotment of 4110000 Bonus Equity Shares made on March 15, 2023 in ratio of 3:2 i.e., 3 (Three) fully paid-up Equity Shares for every 2 (Two), out of free reserves, are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Mr. Rajagopal Reddy Annam Reddy	1500150	10	Nil
2.	Mrs. Mydhili Rajagopal Reddy	1500150		
3.	Mr. Radha Krishna Reddy Annam Reddy	205500		
4.	Mr. Nageswara Rao Repuri	411000		
5.	Ms. Dhartiben Anilkumar Trivedi	411000		
6.	Mr. Ravi Teja Marriboyna	82200		
<b>Total</b>		<b>4110000</b>	<b>10</b>	<b>Nil</b>

The details of allotment of 3767500 Bonus Equity Shares made on October 30, 2023 in ratio of 2:1 i.e., 2 (Two) fully paid-up Equity Shares for every 1 (One), out of free reserves, are as follows

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Reason for allotment
1.	Mr. Rajagopal Reddy Annam Reddy	1626875	10	Capitalization of reserves and Surplus
2.	Mrs. Mydhili Rajagopal Reddy	1250125		
3.	Mr. Radha Krishna Reddy Annam Reddy	171250		
4.	Mr. Nageswara Rao Repuri	376750		
5.	Ms. Dhartiben Anilkumar Trivedi	113059		
6.	Mr. Anil Natvarlala Trivedi	113025		
7.	Mr. Mukesh Dhanjibhai Patel	116416		
<b>Total</b>		<b>3767500</b>	<b>10</b>	<b>-</b>

6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2021.

#### 7. Our Shareholding Pattern:

The Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

#### Declaration

Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non-Promoter – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No

Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non-Promoter – Non-Public
5.	Whether the Company has any shares in locked-in? *	No	No	No	No
6.	Whether any shares held by promoter are pledge or otherwise encumbered?	No	No	NA	NA
7.	Whether company has equity shares with differential voting rights?	No	No	No	No
8.	Whether the listed entity has any significant beneficial owner?	No	No	No	No

\* All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on Emerge Platform of NSE.

**Table I - Summary Statement holding of Equity Shares**

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (eg: X)	Class (eg: Y)	Total								
(A)	Promoters & Promoter Group	4	10275000	-	-	10275000	90.91	10275000	-	10275000	90.91	-	90.91	-	-	-	-	10275000
(B)	Public	3	1027500	-	-	1027500	9.09	1027500	-	1027500	9.09	-	9.09	-	-	-	-	1027500
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>11302500</b>	<b>-</b>	<b>-</b>	<b>11302500</b>	<b>100.00</b>	<b>11302500</b>	<b>-</b>	<b>11302500</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11302500</b>
<b>Note:</b>																		
1.	<b>C=C1+C2</b>																	
2.	<b>Grand Total=A+B+C</b>																	

\*Rounded Off

8. The shareholding pattern of our Promoters, Promoters' Group and public before and after the Issue:

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Promoters</b>					
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	43.18	4880625	31.06
2.	Mrs. Mydhili Rajagopal Reddy	3750375	33.18	3750375	23.87
3.	Mr. Nageswara Rao Repuri	1130250	10.00	1130250	7.19
<b>Total - A</b>		<b>9761250</b>	<b>86.36</b>	<b>9761250</b>	<b>62.12</b>
<b>Promoter's Group</b>					
1.	Mr. Radha Krishna Reddy Annam Reddy	513750	4.55	513750	3.27
<b>Total - B</b>		<b>513750</b>	<b>4.55</b>	<b>513750</b>	<b>3.27</b>
<b>Total Promoters &amp; Promoter Group Shareholding</b>		<b>10275000</b>	<b>90.91</b>	<b>10275000</b>	<b>65.39</b>
<b>Public</b>					
1.	Ms. Dhartiben Anilkumar Trivedi	339177	3.00	339177	2.16
2.	Mr. Anil Natvarlala Trivedi	339075	3.00	339075	2.16
3.	Mr. Mukesh Dhanjibhai Patel	349248	3.09	349248	2.22
4.	Public in IPO	-	-	4410000	28.07
<b>Total - C</b>		<b>1027500</b>	<b>9.09</b>	<b>5437500</b>	<b>34.61</b>
<b>Total (A+B+C)</b>		<b>11302500</b>	<b>100.00</b>	<b>15712500</b>	<b>100.00</b>

\*Rounded Off

9. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	43.18
2.	Mrs. Mydhili Rajagopal Reddy	3750375	33.18
3.	Mr. Nageswara Rao Repuri	1130250	10.00
4.	Mr. Radha Krishna Reddy Annam Reddy	513750	4.55
5.	Ms. Dhartiben Anilkumar Trivedi	339177	3.00
6.	Mr. Anil Natvarlala Trivedi	339075	3.00
7.	Mr. Mukesh Dhanjibhai Patel	349248	3.09
<b>Total</b>		<b>11302500</b>	<b>100.00</b>

\*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	43.18
2.	Mrs. Mydhili Rajagopal Reddy	3750375	33.18



Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
3.	Mr. Nageswara Rao Repuri	1130250	10.00
4.	Mr. Radha Krishna Reddy Annam Reddy	513750	4.55
5.	Ms. Dhartiaben Anilkumar Trivedi	339177	3.00
6.	Mr. Anil Natvarlala Trivedi	339075	3.00
7.	Mr. Mukesh Dhanjibhai Patel	349248	3.09
<b>Total</b>		<b>11302500</b>	<b>100.00</b>

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

**(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on One year prior to the date of the Red Herring Prospectus:**

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid-up Capital#
1.	Mr. Rajagopal Reddy Annam Reddy	3253750	43.18
2.	Mrs. Mydhili Rajagopal Reddy	2500250	33.18
3.	Mr. Radha Krishna Reddy Annam Reddy	342500	4.55
4.	Mr. Nageswara Rao Repuri	753500	10.00
5.	Ms. Dhartiaben Anilkumar Trivedi	226118	3.00
6.	Mr. Anil Natvarlala Trivedi	226050	3.00
7.	Mr. Mukesh Dhanjibhai Patel	232832	3.09
<b>Total</b>		<b>7535000</b>	<b>100.00</b>

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

# the % has been calculated based on then existing Paid up Capital of the Company.

**(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on Two years prior to the date of the Red Herring Prospectus:**

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid-up Capital#
1.	Mr. Rajagopal Reddy Annam Reddy	1000100	36.50
2.	Mrs. Mydhili Rajagopal Reddy	1000100	36.50
3.	Mr. Radha Krishna Reddy Annam Reddy	137000	5.00
4.	Mr. Nageswara Rao Repuri	274000	10.00
5.	Ms. Dhartiaben Anilkumar Trivedi	274000	10.00
6.	Mr. Ravi Teja Marriboyena	54800	2.00
<b>Total</b>		<b>2740000</b>	<b>100.00</b>

\* The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.

# The % has been calculated based on then existing Paid up Capital of the Company.

**10.** There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Red Herring Prospectus.

As on the date of filing the Red Herring Prospectus document, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified

---

institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

### 11. Shareholding of the Promoters of our Company:

As on the date of the Red Herring Prospectus, our Promoters Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri holds total 9761250 Equity Shares respectively representing 86.36 % of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company is as follows:

MR. RAJAGOPAL REDDY ANNAM REDDY								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
On Incorporation	Subscription to Memorandum of Association	5000	5000	10	10	50000	0.04	0.03
December 26, 2015	Bonus Issue	95000	100000	10	NA	Nil	0.84	0.60
January 13, 2016	Further Issue	70000	170000	10	10	700000	0.62	0.45
January 18, 2016	Right Issue	5000	175000	10	10	50000	0.04	0.03
December 1, 2017	Conversion of Loan	190000	365000	10	10	1900000	1.68	1.21
June 30, 2020	Bonus Issue	635100	1000100	10	NA	Nil	5.62	4.04
March 15, 2023	Bonus Issue	1500150	2500250	10	NA	Nil	13.27	9.55
March 31, 2023	Rights Issue	616500	3116750	10	10	6165000	5.45	3.92
June 15, 2023	Purchase of shares from Mr. Ravi Teja Marriboyena	137000	3253750	10	10	1370000	1.21	0.87
October 30, 2023	Bonus Issue	1626875	4880625	10	NA	Nil	14.39	10.35
<b>Total</b>		<b>4880625</b>				<b>10235000</b>	<b>43.18</b>	<b>31.06</b>

<b>MRS. MYDHILI RAJAGOPAL REDDY</b>								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
On Incorporation	Subscription to Memorandum of Association	5000	5000	10	10	50000	0.04	0.03
December 26, 2015	Bonus Issue	95000	100000	10	NA	Nil	0.84	0.60
January 13, 2016	Further Issue	70000	170000	10	10	700000	0.62	0.45
January 18, 2016	Right Issue	5000	175000	10	10	50000	0.04	0.03
December 1, 2017	Private Placement	190000	365000	10	10	1900000	1.68	1.21
June 30, 2020	Bonus Issue	635100	1000100	10	NA	Nil	5.62	4.04
March 15, 2023	Bonus Issue	1500150	2500250	10	NA	Nil	13.27	9.55
October 30, 2023	Bonus Issue	1250125	3750375	10	NA	Nil	11.06	7.96
<b>Total</b>		<b>3750375</b>				<b>2700000</b>	<b>33.18</b>	<b>23.87</b>

<b>MR. NAGESWARA RAO REPURI</b>								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
January 13, 2016	Further Issue	50000	50000	10	10	500000	0.44	0.32
December 1, 2017	Private Placement	50000	100000	10	10	500000	0.44	0.32
June 30, 2020	Bonus Issue	174000	274000	10	NA	Nil	1.54	1.11
March 15, 2023	Bonus Issue	411000	685000	10	NA	Nil	3.64	2.62
March 31, 2023	Rights Issue	68500	753500	10	10	685000	0.61	0.44
October 30, 2023	Bonus Issue	376750	1130250	10	NA	Nil	3.33	2.40
<b>Total</b>		<b>1130250</b>				<b>1685000</b>	<b>10.00</b>	<b>7.19</b>

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *#
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	2.10
2.	Mrs. Mydhili Rajagopal Reddy	3750375	0.72
3.	Mr. Nageswara Rao Repuri	1130250	1.49

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by him to acquire Shares by way of allotment and Transfer as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

#Based on Certificate dated July 13, 2024 from Peer reviewed Auditors of the company, M/s. SVJK and Associates vide UDIN: 24151324BKESIG1034.

13. We have 7 (Seven) shareholders as on the date of filing of the Red Herring Prospectus.
14. As on the date of the Red Herring Prospectus, our Promoters and Promoters' Group hold total 10275000 Equity Shares representing 90.91% of the pre-issue paid up share capital of our Company.
15. There were no shares purchased/sold by the Promoters and Promoter Group, directors of our Company and their relatives during last six months.
16. The members of the Promoters' Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Red Herring Prospectus.

**17. Details of Promoter's Contribution locked in for three years:**

Our Promoters Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri has given written consent to include 3221100 Equity Shares subscribed and held by him/her as a part of Minimum Promoters' Contribution constituting more than 20.00% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

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

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

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

The Minimum Promoter Contribution has been brought into to the extent of not less than the 20.00% of the Post Issue Capital and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2018.

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

The details of Minimum Promoter Contribution are as follows:

MR. RAJAGOPAL REDDY ANNAM REDDY								
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
On Incorporation	On Incorporation	Subscription to Memorandum of Association	5000	10	10	0.04	0.03	3 Years
December 26, 2015	December 26, 2015	Bonus Issue	95000	10	NA	0.84	0.60	3 Years
January 13, 2016	January 13, 2016	Further Issue	70000	10	10	0.62	0.45	3 Years
January 18, 2016	January 18, 2016	Right Issue	5000	10	10	0.04	0.03	3 Years
December 1, 2017	December 1, 2017	Conversion of Loan	190000	10	10	1.68	1.21	3 Years
June 30, 2020	June 30, 2020	Bonus Issue	635100	10	NA	5.62	4.04	3 Years
March 15, 2023	March 15, 2023	Bonus Issue	610450	10	NA	5.40	3.89	3 Years
<b>Total</b>			<b>1610550</b>			<b>14.25</b>	10.25	

MRS. MYDHILI RAJAGOPAL REDDY								
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
On Incorporation	On Incorporation	Subscription to Memorandum of Association	5000	10	10	0.04	0.03	3 Years
December 26, 2015	December 26, 2015	Bonus Issue	95000	10	NA	0.84	0.60	3 Years
January 13, 2016	January 13, 2016	Further Issue	70000	10	10	0.62	0.45	3 Years



MRS. MYDHILI RAJAGOPAL REDDY								
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
January 18, 2016	January 18, 2016	Right Issue	5000	10	10	0.04	0.03	3 Years
December 1, 2017	December 1, 2017	Private Placement	190000	10	10	1.68	1.21	3 Years
June 30, 2020	June 30, 2020	Bonus Issue	635100	10	NA	5.62	4.04	3 Years
March 15, 2023	March 15, 2023	Bonus Issue	237460	10	NA	2.10	1.51	3 Years
<b>Total</b>			<b>1237560</b>			<b>10.95</b>	7.88	

MR. NAGESWARA RAO REPURI								
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
January 13, 2016	January 13, 2016	Further Issue	50000	10	10	0.44	0.32	3 Years
December 1, 2017	December 1, 2017	Private Placement	50000	10	10	0.44	0.32	3 Years
June 30, 2020	June 30, 2020	Bonus Issue	174000	10	NA	1.54	1.11	3 Years
March 15, 2023	March 15, 2023	Bonus Issue	98990	10	NA	0.88	0.63	3 Years
<b>Total</b>			<b>372990</b>			<b>3.30</b>	2.38	

All the Equity Shares held by the Promoters / members of the Promoters' Group are in already dematerialized as on date of this Red Herring Prospectus.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for;
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;

- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being offer to the public in initial public offer is ineligible for minimum promoters' contribution.
- However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to promoter during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoter of the issuer and there is no change in the management:

Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible; **Not Applicable**

#### **18. Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:**

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 6540150 Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

#### **19. Lock in of Equity Shares held by Persons other than the Promoters:**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 1541250 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

#### **20. Inscription or recording of non-transferability:**

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

#### **21. Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

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

#### **22. Transferability of Locked in Equity Shares:**

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

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

lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

23. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
24. As on date of the Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
25. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.
26. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
27. There are no safety net arrangements for this public issue.
28. As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
29. As per RBI regulations, OCBs are not allowed to participate in this offer.
30. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
31. There are no Equity Shares against which depository receipts have been issued.
32. As on date of the Red Herring Prospectus, other than the Equity Shares, there are is no other class of securities issued by our Company.
33. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
34. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
35. Since present issue is a Book Built Issue, the allocation in the net offer to the public category in terms of Regulation 253(1) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
  - (a). not less than thirty-five per cent to Retail Individual Investors;
  - (b). not less than fifteen per cent to Non-Institutional Investors;
  - (c). not more than fifty per cent to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds

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

Provided further that in addition to five per cent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.
36. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
37. Our Promoters and the members of our Promoters' Group will not participate in this Issue.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoters' Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
39. Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Mr. Rajagopal Reddy Annam Reddy	Chairman and Managing Director & Chief Executive Officer	4880625	43.18	31.06
2.	Mrs. Mydhili Rajagopal Reddy	Whole-Time Director	3750375	33.18	23.87
3.	Mr. Nageswara Rao Repuri	Whole-Time Director and Chief Finance Officer	1130250	10.00	7.19

## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue constitutes a public Issue of 4410000 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share.

#### FRESH ISSUE

The Issue Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet Working Capital Requirements
2. General Corporate Purposes

*(Collectively referred as the “objects”)*

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

Located at Ahmedabad, Gujarat, our company was founded by our visionary Promoter Cum Chairman and Managing Director & CEO, Mr. Rajagopal Reddy Annam Reddy. Our company is benefited from the extensive experience of our Promoters, Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri, having experience of more than 45 (Forty-Five) years. Our Board of Directors, Key Managerial Personnel and Senior Management Personnel has also provided significant contribution in the growth of our company.

The company is a Government Approved Contractor in “AA” Class with the Government of Gujarat, Civil/Electrical Contractor License from Karnataka State Public Works department, Special class registration in Government of Telangana and contractor registration in Government of Madhya Pradesh. The company provides designing, construction, and commissioning of various types of government projects especially in water infrastructure and irrigation segment.

The Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment’s (pumping machinery) for distribution of water supply from the river to household. We also provide operations & maintenance services for water distribution pipelines.

Our company began its operations focusing on water pipeline projects in Gujarat. We have since expanded our services to encompass all aspects of road construction, irrigation, water infrastructure, and environmental projects. We have locational presence in the state of Madhya Pradesh, Telangana, Maharashtra, and Gujarat. We are committed to maintaining the highest standards, the same is evident by the ISO 9001:2015 certification for quality management, ISO 14001:2015 certification for environmental management, and ISO 45001:2018 certification for occupational health and safety management systems.

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 Fresh Issue. We confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

#### REQUIREMENT OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ [●] Lakhs (the “**Net Issue Proceeds**”).

The following table summarizes the requirement of funds:

Particulars	Amount (₹ in Lakhs)
Gross Issue Proceeds	[●]*
Less: Public Issue Related Expenses	[●]
<b>Net Issue Proceeds</b>	<b>[●]*</b>

\*Subject to finalization of Basis of Allotment.

## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in Lakhs)	% of Gross Issue Proceeds
1.	To Meet Working Capital Requirements	1,480.00	[●]
2.	General Corporate Purposes <sup>^</sup>	[●]	[●]
<b>Net Issue Proceeds</b>		[●]	[●]

<sup>^</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

## MEANS OF FINANCE

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

Sr No.	Particulars	Amount Required (₹ in Lakhs)	From IPO Proceeds	Internal Accruals/ Equity/ Reserves/ Borrowings
1.	To Meet Working Capital Requirements	6,480.88	1,480.00	5,000.88
2.	General Corporate Purposes	[●]	[●]	0.00
3.	Public Issue Expenses	[●]	[●]	0.00
<b>Total</b>		[●]	[●]	<b>5,000.88</b>

\* Subject to finalization of Price at the time of filing of Prospectus.

Accordingly, we confirm that we are in compliance with the requirement to make the firm arrangement of finance under Regulation 230(1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in Internal / external circumstances or costs or other financial conditions and other factors. In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and borrowings. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, subject to regulatory approval required under applicable law. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of unsecured loan outstanding as on date of Red Herring Prospectus. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please refer section titled "Risk Factors" beginning on Page 25 of this Red Herring Prospectus.



## DETAILS OF USE OF ISSUE PROCEEDS

### 1. TO MEET WORKING CAPITAL REQUIREMENTS:

Our Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment's (pumping machinery) for distribution of water supply from the river to household. Our company began operations focusing on water pipeline projects in various states including Gujarat, Maharashtra, Madhya Pradesh and Telangana. We have since expanded our services to encompass all aspects of road construction, irrigation, water infrastructure, and environmental projects. Net Working Capital requirement of our Company as on March 31, 2024 on restated basis was ₹ 2,904.04 Lakhs as against that of ₹ 1,837.55 Lakhs, ₹ 1,528.47 Lakhs and ₹ 1,075.94 Lakhs as on March 31, 2023, March 31, 2022 and March 31, 2021 respectively. The Net Working capital requirements for the FY 2024-25 is estimated to be ₹ 4,687.12 Lakhs and ₹ 6,480.88 lakhs in FY 2025-26. The Company will meet the requirement to the extent of ₹ 1,480.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirement.

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

(₹ in lakhs)

Particulars	(Projected)		(Restated Basis)			
	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
<b>Inventories</b>						
Raw materials and Consumables	1,040.47	692.08	301.99	281.63	189.69	162.42
Deposits held under lien	446.43	330.69	164.71	97.45	34.16	28.45
Trade receivables	3,212.74	2,374.79	1,663.41	758.48	531.58	565.16
Cash and cash equivalents	17.04	14.70	13.48	1.03	0.41	9.10
Loans and Advances	442.42	314.94	249.95	208.65	194.47	142.16
Other Assets	4,063.92	3,190.21	2,900.03	1,292.44	783.77	519.05
<b>Total Assets</b>	<b>9,223.02</b>	<b>6,917.41</b>	<b>5,293.57</b>	<b>2,639.68</b>	<b>1,734.09</b>	<b>1,426.34</b>
Trade payables	2,423.93	1,958.63	2,169.96	598.13	122.63	269.92
Other Liabilities	283.38	243.80	197.28	203.81	82.64	59.82
Short-term provisions	34.83	27.86	22.29	0.19	0.35	20.66
<b>Total Liabilities</b>	<b>2,742.14</b>	<b>2,230.2930</b>	<b>2,389.53</b>	<b>802.13</b>	<b>205.62</b>	<b>350.40</b>
<b>Net Working Capital</b>	<b>6,480.88</b>	<b>4,687.12</b>	<b>2,904.04</b>	<b>1,837.55</b>	<b>1,528.47</b>	<b>1,075.94</b>
<b>Sources of Funds</b>						
Internal Accruals/Existing Net worth/Borrowings	5,000.88	3,787.12	2,904.04	1,837.55	1,528.47	1,075.94
Proceeds from IPO*	1,480.00	900.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>6,480.88</b>	<b>4,687.12</b>	<b>2,904.04</b>	<b>1,837.55</b>	<b>1,528.47</b>	<b>1,075.94</b>

[1] As on March 31, 2024, Company has ₹ 1,582.22 lakhs of working capital loan and Cash Credit from various banks.

\*Company is expecting utilization of ₹ 900.00 lakhs in FY 2024-25 and remaining amount i.e. ₹ 580.00 lakhs (₹1,480.00 Lakhs Working Capital requirement reduced by utilized amount till FY 2024-25 ₹ 900.00 lakhs) in FY 2025-26. Therefore, amount disclosed in FY 2025-26 is sum of total utilization of Working Capital for previous and current year i.e. ₹ 900.00 lakhs for FY 2024-25 and ₹ 580.00 lakhs for FY 2025-26. Moreover, working capital requirement is calculated based on statement of assets and liabilities as on particular date. Utilization of working capital disclosed in the table is based on closing balances. From the above working capital requirement of ₹ 6,480.88 lakhs in FY 2025-26, Company intends to utilize ₹ 1,480.00 Lakhs towards Working Capital requirement out of the Issue Proceeds.

**Assumptions for working capital requirements:**

Particulars	Holding level (in Months/Days)					
	(Projected)		(Restated Basis)			
	31-Mar-26	31-Mar-25	31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21
<b>Trade Receivables (A)</b>						
Number of months of Trade Receivables	1.95	1.87	1.75	2.00	1.79	2.21
Number of Days of Trade Receivables	58.00	56.00	53.00	60.00	54.00	66.00
<b>Inventory (B)</b>						
Number of months for Inventory	0.97	0.82	0.49	1.28	1.53	1.59
Number of Days for Inventory	29.00	25.00	15.00	38.00	46.00	48.00
<b>Current Liabilities (C)</b>						
Number of months of Trade Payable	1.74	1.88	2.79	1.86	0.47	1.20
Number of days of Trade Payable	52.00	56.00	84.00	56.00	14.00	36.00

**Note:**

1. Holding period level (in months/days) of Trade Receivables is calculated by dividing closing trade receivables by revenue from operations multiplied by number of months/days in the year/period.
2. Holding period level (in months/days) of Inventory is calculated by dividing closing Inventory by Cost of Goods Sold multiplied by number of months/days in the year/period.
3. Holding period level (in months/days) of Trade Payables is calculated by dividing closing trade payables by purchase of raw materials & components and other expenses multiplied by number of months/days in the year/period.

**Source: Based on certificate by Peer Reviewed Auditor, M/s. S V J K & Associates, Chartered Accountants vide its certificate dated July 13, 2024, bearing UDIN: 24151324BKESIE3322.**

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

Sr No	Particulars	Details
<b>Current Assets</b>		
1.	Trade receivables	Trade receivables are amount owed to Company by customers following rendering of services i.e. Sale & Supply of Water Pipeline Construction services, Irrigation Projects services, Road Construction and Building Construction services on credit. The company is engaged in the business wherein realization of payment from the clients undergoes processing delays due to administrative clearances of government departments, after which demand for the payment is made by the accounts department and then the payment is released so normally the debtors period in this business falls between 45-90 days depending on state to state. From FY 2020-21 to FY 2023-24, our trade receivables holding period has witnessed a reduction from 66 days to 53 days. This positive trend can be attributed to the favorable

Sr No	Particulars	Details
		<p>credit terms offered by our clients from Gujarat region and increase in the number of our projects in Gujarat region.</p> <p>Looking ahead, we anticipate Trade Receivable days to be in the range of previous financial years. Company estimates Trade Receivables Holding period of 56 days in FY 2024-25 and gradually increasing with increase in Revenue from Operation to 58 days in FY 2025-26. Increase in Trade Receivable days is mainly due to increase in estimated size of operations of our company.</p>
2.	Inventory (Raw Materials and Components)	<p>Inventories of our company includes Raw Materials and Components consisting of pipes, steel construction material, cement, valves, sand, ready-mix and other hardware items.</p> <p>From FY 2020-21 to FY 2023-24, our inventory holding period has witnessed a reduction from 48 days to 15 days. Over the period the company has increased its focus in the Gujarat region, Gujarat has a well-established network of industries, making it easier to source a wide range of raw materials for various sectors, including infrastructure, engineering and chemicals. This positive trend in the inventory holding period can be attributed to the easy and timely availability of majority of raw material required for project execution.</p> <p>Company estimates raw materials and components holding period to be in the range of 25 to 30 days in the projected period. Increase in raw materials and components is not substantial due to its timely availability and reason for such increase is due to increase in the size of operations of our company.</p>
<b>Current Liabilities</b>		
3.	Trade Payables	<p>Trade payables are amount to be paid to suppliers by company following purchase of raw materials &amp; components, stock-in-trade and other expenses on credit. Historically, our trade payables holding period from FY 2020-21 to FY 2023-24 were in the range of 84 to 36 days.</p> <p>Company estimates Trade Payable Holding period of 56 days in FY 2024-25 (in line with average holding period for FY 2020-21 to FY 2023-24) and gradually decreasing to 52 days in FY 2025-26. Company expects better pricing and continuous supply from vendors by making early payment and negotiating better deals. With improved cash flow, we can settle our trade payables more promptly, further reducing the holding period which will provide better pricing from vendors and negotiating better deals.</p>

Apart from above there are other working capital requirements such as Deposit under lien, Cash and cash equivalents, Other Assets, Loans and advances, Short Term Provisions and Other Current Liabilities. Details of which are given below.

<b>Deposits held under lien</b>	<p>Deposits hold under lien includes Margin money deposits with i) more than 12 months maturity and ii) more than 3 Months and less than 12 months Maturity. As part of our business and as is customary, our clients deduct margins from each invoice as retention money and we are required to provide performance bank guarantees in favour of our project clients under the respective contracts.</p> <p>With increase in the quantum of projects, our company will require higher margins as deposits for Bank Guarantees. For Higher Bank Guarantee limits our company has to maintain a healthy balance with banks in form of Fixed Deposit.</p>
<b>Cash and Cash Equivalents</b>	<p>Cash and cash equivalents include cash in hand and balance in current account excluding Deposits held under lien. Cash and Cash Equivalent balance is estimated based on amount required for day-to-day Business operation and for expected Business requirement of company.</p>

<b>Loans and Advances</b>	Loans and Advances includes, Tax deduction at source, Advances recoverable in cash or kind, Advance income tax (net of provision for income tax), Prepaid expenses, Balances with government authorities and MAT credit entitlements. Loans and advances are estimated based on previous year outstanding amount and for expected Business requirement of company.
<b>Other Assets</b>	Other Assets include, Security Deposits, Unbilled Revenue (i.e. Company recognizes revenue based on percentage of completion of work method and it must be verified by client for the progress to be billed. On the closing date, if company has executed the portion of work contract and it is under process of verification, such revenue will be recognized under the unbilled revenue), Interest accrued on fixed deposits and others, Earnest money deposit and Other receivables. Projected Other Assets are estimated based on previous year outstanding amount and for expected Business requirement of company.
<b>Other Liabilities</b>	Other Liabilities mainly include Salary Payable, Interest accrued but not due on borrowings, Interest accrued and due on borrowings, Statutory liabilities and Retention money held with company. Other current liabilities are estimated based on previous year outstanding amounts and for expected Business requirement of company.
<b>Short-term provisions</b>	Short-term provisions mainly include provision for gratuity and tax. Short-term provisions are estimated based on previous year outstanding amounts and for expected Business requirement of company.

#### **Justification for the working capital requirement of the company:**

**From FY 2020-21 to FY 2021-22**, Company's Working Capital Requirement has increased from ₹ 1,075.94 lakhs in FY 2020-21 to ₹ 1,528.47 lakhs in FY 2021-22. Major contributor for the increase in working capital requirement were increase in the other assets of the company predominantly comprising of Unbilled Revenue (i.e. Company recognizes revenue based on percentage of completion of work method and it must be verified by client for the progress to be billed. On the closing date, if company has executed the portion of work contract and it is under process of verification, such revenue will be recognized under the unbilled revenue) from ₹ 518.62 lakhs to ₹ 783.34 lakhs. Further, the working capital requirement also increased on account of payment of trade payables near the year end.

**From FY 2021-22 to FY 2022-23**, Company's Working Capital Requirement has increased from ₹ 1,528.47 lakhs in FY 2021-22 to ₹ 1,837.55 lakhs in FY 2022-23. Major reason for increase in the working capital requirement was increase in the size of operations of the company resulting in simultaneous increase in the trade receivables, inventories and the other assets predominantly comprising of Unbilled Revenue of the company which was partially offset by the increase in credit offered by the trade payables of the company.

**From FY 2022-23 to FY 2023-24**, Company's Working Capital Requirement has increased from ₹ 1,837.55 lakhs in FY 2022-23 to ₹ 2,904.04 lakhs in FY 2023-24. Major reason for increase in the working capital requirement was increase in the size of operations of the company resulting in simultaneous increase in the trade receivables, loans and advances predominantly comprising of balances with government authorities and the other assets predominantly comprising of Unbilled Revenue of the company which was partially offset by the increase in credit offered by the trade payables of the company.

**For estimated period FY 2025 and FY 2026**, the company is engaged in the execution of water supply projects, Irrigation Projects, Road construction and building construction services. Working capital requirements of the company is directly linked with the quantum of projects undertaken by the company. With the increase in quantum of projects under execution the company estimates increase in requirement of funds blocked in Trade receivables, inventories, Unbilled Revenue and Deposits held under lien for performance guarantee. Working capital requirement is estimated to increase to ₹ 4,687.12 lakhs and ₹ 6,480.88 lakhs in FY 2024-25 and FY 2025-26 respectively.

## **2. GENERAL CORPORATE PURPOSES:**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ [●] Lakh towards the general corporate purposes to drive our business

growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- acquisition/hiring of land/property for building up corporate house,
- hiring human resources including marketing people or technical people in India or abroad,
- we may also enter into strategic alliances with other body corporates for expansion of our business in abroad or in India.
- funding growth opportunities;
- servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- working capital;
- meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- strategic initiatives and
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

### 3. ISSUE RELATED EXPENSES

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

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable to Legal Advisors	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Market Maker (for Three Years)	[●]	[●]	[●]
Others (Fees payable for marketing & distributing expenses, selling commission, brokerage, processing fees, underwriting fees and miscellaneous expenses.)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	<b>[●]</b>	<b>100.00</b>	<b>[●]</b>

*Notes:*

1. Up to July 13, 2024, Our Company has deployed/incurred expense of ₹ 15.20 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor, M/s. PARY & Co., Chartered Accountants vide its certificate dated July 13, 2024, bearing UDIN:24224674BKEQYJ3283.
2. Any expenses incurred towards aforesaid issue related expenses during the period from May 29, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.
3. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
 Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
4. The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
5. Registered Brokers will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
6. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
7. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
8. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

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

(₹ in Lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Issue Proceeds	Estimated Utilization of Net Proceeds (Up to Financial year 2023-24)*	Estimated Utilization of Net Proceeds (Up to Financial year 2024-25)*	Estimated Utilization of Net Proceeds (Up to Financial year 2025-26)*
1.	Working Capital Requirements	1,480.00	0.00	900.00^	1,480.00^
2.	General Corporate Purposes	[●]	[●]	[●]	[●]
<b>Total</b>		[●]	[●]	[●]	[●]



*\*To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial Years towards the Object. Due to general business exigencies, the use of issue proceeds may be interchangeable.*

*^Company is expecting utilization of ₹ 900.00 lakhs in FY 2024-25 and remaining amount i.e. ₹ 580.00 lakhs (₹ 1,480.00 Lakhs Working Capital requirement reduced by utilized amount till FY 2024-25 ₹ 900.00 lakhs) in FY 2025-26. Therefore, amount disclosed in FY 2025-26 is sum of total utilization of Working Capital for previous and current year i.e. ₹ 900.00 lakhs for FY 2024-25 and ₹ 580.00 lakhs for FY 2025-26.*

However, the use of issue proceeds for General Corporate Purposes shall not exceed 25% at any point of time.

## APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

## BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds of the Issue.

## INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

## MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and 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 Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Hearing Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

## VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through 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 the 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 proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

## BASIS FOR ISSUE PRICE

The Price Band, Issue Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares by the Book Building Process and on the basis of the following quantitative and qualitative factors as described below. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections/chapters titled "Risk Factors" and "Restated Financial Information" on page no. 25 and 182, respectively of this Red Herring Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

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

- Experienced Promoters and Management Team
- Focused player in Water Supply Projects (WSPs)
- End-to-end execution capabilities
- Optimal Utilization of Resources
- Long-standing relationships with our customers

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 115 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

#### 1. Basic & Diluted Earnings Per Share (EPS):

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting for the effects of all dilutive potential equity shares}}$$

#### Weighted Average EPS

Financial Year	Basic and Diluted EPS (in ₹)	Weights
Financial Year ended March 31, 2024	5.43	3
Financial Year ended March 31, 2023	2.10	2
Financial Year ended March 31, 2022	1.04	1
<b>Weighted Average</b>	<b>3.59</b>	

#### Notes:

1. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.
2. Basic and diluted EPS are based on the Restated financial Information.
3. The face value of each Equity Share is ₹10.
4. The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on October 30, 2023 in the ratio of 1:2 i.e., 1 (One) Equity Shares for every 2 (Two) Equity Share held.

### Simple Average EPS

Financial Year	Basic and Diluted EPS (in ₹)
Financial Year ended March 31, 2024	5.43
Financial Year ended March 31, 2023	2.10
Financial Year ended March 31, 2022	1.04
<b>Simple Average</b>	<b>2.86</b>

#### Notes:

1. Simple average = Aggregate of year-wise EPS divided by the aggregate of EPS for each year/ No. of years.
2. Basic and diluted EPS are based on the Restated financial Information.
3. The face value of each Equity Share is ₹10.
4. The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on October 30, 2023 in the ratio of 1:2 i.e., 1 (One) Equity Shares for every 2 (Two) Equity Share held.

### 2. Price to Earnings (P/E) ratio in relation to Price Band of ₹ [●] and ₹ [●] per Equity Shares:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Floor Price/ Cap Price}}{\text{Restated Earnings Per Share}}$$

Particulars	EPS (in ₹)	P/E at the Floor Price (No of times)	P/E at the Cap Price (No of times)
a. Based on EPS of Financial Year ended March 31, 2024	5.43	[●]	[●]
b. Based on Weighted Average EPS	3.59	[●]	[●]
c. Based on Simple Average EPS	2.86	[●]	[●]

#### Industry PE:

Particulars	PE Ratio	Company Name
Highest	13.92	EMS Limited
Lowest	13.92	EMS Limited
Average	13.92	EMS Limited

**Note:** The highest and lowest industry P/E shown above is based on the peer set provided in Point 5 below under “Comparison of Accounting Ratios with Listed Peer Group Companies”, listed peer includes EMS Limited only, which have been identified by our Company.

### 3. Return on Net Worth:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Closing Net Worth}} * 100$$

Financial Year	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2024	37.53	3

Financial Year	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2023	21.79	2
Financial Year ended March 31, 2022	15.13	1
<b>Weighted Average</b>	<b>28.55</b>	

**Notes:**

1. Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;
2. The figures disclosed above are based on the Restated financial Statements of our Company.
3. Net-worth, as restated at the end of the relevant financial year (Equity attributable to the owners of the company).

**4. Net Asset Value per Equity Share:**

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

Particular	Amount (in ₹)
Financial Year ended March 31, 2024	14.47
Financial Year ended March 31, 2023	9.04
Financial Year ended March 31, 2022	6.88
<b>After the Issue</b>	
- At Floor price	[•]
- At Cap price	[•]
- At Issue price*	[•]

\* To be determined after the book-building process

**Notes:**

1. The number of shares are adjusted by Increase in share Capital through issue of Bonus shares on October 30, 2023 in the ratio of 1:2 i.e., 1 (One) Equity Shares for every 2 (Two) Equity Share held.
2. Issue Price per equity share has been determined by our Company, in consultation with the Book Running Book Running Lead Managers.

**5. Comparison of Accounting Ratios with Listed Peer Group Companies:**

Following is the comparison with our peer companies listed in India:

Name of the company	Standalone / Consolidated	Face Value (₹)	Current Market Price (₹)	EPS (₹) Basic & Diluted	P/E Ratio <sup>(1)</sup>	RoNW <sup>(2)</sup> (%)	NAV per Equity Share <sup>(3)</sup> (₹)	Revenue from operations (₹ in Lakhs)
V.L.Infraprojects Limited	Standalone	10.00	[•]	5.43	[•]	37.53	14.47	11,393.16
<b>Peer Group</b>								
EMS Limited	Standalone	10.00	402.40	28.91	13.92	19.11	151.29	71,936.17

**Source:** All the financial information for listed industry peer mentioned above is on a standalone basis sourced from the Annual Reports/Information of the peer company uploaded on the NSE and BSE website for the year ended March 31, 2024.

**Notes:**

1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE on March 28, 2024 divided by the Basic & Diluted EPS for the financial year ended March 31, 2024.
2. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares adjusted for bonus shares.
4. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of the Equity Share.
5. Issue Price of ₹ [●]/- will be determined by our Company in consultation with the Book Running Lead Manager on the basis of assessment of market demand for the Equity Shares by the Book Building Process and on the basis of the above mentioned quantitative and qualitative ratios. For further details, please refer to the section titled “Risk Factors” and chapters titled “Business Overview” and “Restated Financial Information” beginning on page nos. 25, 115 and 182 respectively of this Red Herring Prospectus

**KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)**

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 13, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the 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 utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

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

**FINANCIAL KPIs OF OUR COMPANY**

Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (₹ in Lakhs)	11,393.16	4,555.70	3,555.34	3,072.08
Growth in Revenue from Operations (%)	150.09	28.14	15.73	-
Gross Profit (₹ in Lakhs)	3,923.68	1,908.80	2,069.51	1,843.88
Gross Profit Margin (%)	34.44	41.90	58.21	60.02
EBITDA (₹ in Lakhs)	1,090.40	471.77	313.82	245.55
EBITDA Margin (%)	9.57	10.36	8.83	7.99
Profit After Tax (₹ in Lakhs)	614.01	222.66	110.58	83.37
PAT Margin (%)	5.39	4.89	3.11	2.71
RoE (%)	46.20	25.41	16.37	14.41

Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
RoCE (%)	39.09	22.97	18.41	20.24
Net Fixed Asset Turnover (In Times)	43.46	23.80	18.83	20.63
Operating Cash Flows (₹ in Lakhs)	(175.36)	113.88	(243.73)	49.10

**Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated July 13, 2024 having UDIN: 24151324BKESID9890.**

**Notes:**

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed and Purchase of stock-in-trade.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- 5) EBITDA is calculated as profit before tax for the year, plus finance costs and depreciation and amortization expenses minus other Income.
- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit after Tax Means Profit for the year as appearing in the Restated financial Statements.
- 8) PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue from Operations.
- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year divided by Average Shareholder Equity.
- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth (i.e. subtracting share capital and reserves & surplus by Intangible Assets and Deferred Expenditure, if any), deferred tax liability, Long-Term Borrowing and Short-Term Borrowing.
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Fixed Assets which consists of property, plant and equipment.
- 12) Operating cash flows means net cash generated from operating activities as mentioned in the Restated financial Statements.

**OPERATIONAL KPIs OF THE COMPANY:**

Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Workforce Strength	30	18	20	15
<b>Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers</b>				
Top 1 Customers (%)	37.80	40.35	51.87	44.03
Top 3 Customers (%)	63.80	74.86	80.15	72.41
Top 5 Customers (%)	80.50	95.59	91.97	86.86
Top 10 Customers (%)	95.48	99.93	100.00	100.56*
<b>Contribution to purchase material and stock in trade of top 1 / 3 / 5 / 10 Suppliers</b>				
Top 1 Suppliers (%)	27.99	35.18	19.82	23.49
Top 3 Suppliers (%)	63.41	64.28	41.42	37.29
Top 5 Suppliers (%)	72.52	76.90	53.83	48.46



Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Top 10 Suppliers (%)	82.87	84.90	64.09	67.85

\* The Percentage of revenue from top 10 customers exceeds 100% during the FY 2020-21 was due to reversal of unbilled revenue arose during the year due to discontinuation of a project and accounted under the head Revenue from Operations. The restated Profit & Loss account as well as Audited Profit & Loss Account for FY 2020-21 shows revenue from operation by adjusting that reversal from sales of service.

Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated July 13, 2024 having UDIN: 24151324BKESID9890.

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Gross Profit (₹ in Lakhs)	Gross Profit provides information regarding the contribution from sale of products by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the contribution earned from sale of products by the Company.
EBITDA (₹ in Lakhs)	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.
Profit After Tax (₹ in Lakhs)	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 our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Fixed Asset Turnover (In Times)	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.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows provides how efficiently our company generates cash through its core business activities.
Workforce Strength	Workforce strength shows the Employees strength of our Company.
Contribution to revenue from operations of top 1 / 3 / 5 / 10 Customers	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.
Contribution to purchase material and stock in trade of top 1 / 3 / 5 / 10 Suppliers	This metric enables us to track the contribution of our key suppliers to our purchases and also assess any concentration risks.

**COMPARISON OF FINANCIAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:**

Particulars	V.L.Infraprojects Limited				EMS Limited			
	For the year ended on				For the year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (₹ in Lakhs)	11,393.16	4,555.70	3,555.34	3,072.08	71,936.17	48,424.80	33,766.23	30,693.74
Growth in Revenue from Operations (%)	150.09	28.14	15.73	-	48.55	43.41	10.01	-
Gross Profit (₹ in Lakhs)	3,923.68	1,908.80	2,069.51	1,843.88	20,430.90	16,139.89	11,998.58	10,647.52
Gross Profit Margin (%)	34.44	41.90	58.21	60.02	28.40	33.33	35.53	34.69
EBITDA (₹ in Lakhs)	1,090.40	471.77	313.82	245.55	19,468.18	14,021.10	10,595.18	9,504.38
EBITDA Margin	9.57	10.36	8.83	7.99	27.06	28.95	31.38	30.97
Profit After Tax (₹ in Lakhs)	614.01	222.66	110.58	83.37	14,995.72	10,318.54	7,560.26	6,981.80
PAT Margin (%)	5.39	4.89	3.11	2.71	20.85	21.31	22.39	22.75
RoE (%)	46.20	25.41	16.37	14.41	23.72	24.08	22.26	26.16
RoCE (%)	39.09	22.97	18.41	20.24	29.95	30.65	28.85	34.16
Net Fixed Asset Turnover (In Times)	43.46	23.80	18.83	20.63	11.97	12.48	9.83	9.82
Operating Cash Flows (₹ in Lakhs)	(175.36)	113.88	(243.73)	49.10	(7,293.24)	896.41	(684.35)	2,069.93

**Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated July 13, 2024 having UDIN: 24151324BKESID9890.**

**COMPARISON OF OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:**

Particulars	V.L.Infraprojects Limited				EMS Limited			
	For the Year ended on				For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Workforce Strength	30	18	20	15	NA	NA	NA	NA
<b>Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers</b>								
Top 1 Customers (%)	37.80	40.35	51.87	44.03	NA	NA	NA	NA
Top 3 Customers (%)	63.80	74.86	80.15	72.41	NA	NA	NA	NA
Top 5 Customers (%)	80.50	95.59	91.97	86.86	NA	NA	NA	NA
Top 10 Customers (%)	95.48	99.93	100.00	100.56*	NA	NA	NA	NA
<b>Contribution to purchase material and stock in trade of top 1 / 3 / 5 / 10 Suppliers</b>								
Top 1 Suppliers (%)	27.99	35.18	19.82	23.49	NA	NA	NA	NA
Top 3 Suppliers (%)	63.41	64.28	41.42	37.29	NA	NA	NA	NA
Top 5 Suppliers (%)	72.52	76.90	53.83	48.46	NA	NA	NA	NA
Top 10 Suppliers (%)	82.87	84.90	64.09	67.85	NA	NA	NA	NA

\* The Percentage of revenue from top 10 customers exceeds 100% during the FY 2020-21 was due to reversal of unbilled revenue arose during the year due to discontinuation of a project and accounted under the head Revenue from Operations. The restated Profit & Loss account as well as Audited Profit & Loss Account for FY 2020-21 shows revenue from operation by adjusting that reversal from sales of service.

**Notes:**

1. Contribution to Revenue from Operations of top 1 / 3 / 5 / 10 customers means aggregate revenue from top 1 / 3 / 5 / 10 customers divided by total Revenue from Operations as per Restated financial Statements.
2. Contribution to purchase material and stock in trade of top 1 / 3 / 5 / 10 suppliers means aggregate purchases of raw material from top 1 / 3 / 5 / 10 suppliers divided by total purchases of raw material and stock-in-trade as per Restated financial Statements.
3. Data of Operational KPI's of the Company's listed peers is either not available in the public domain or the basis and manner of calculation of the figures mentioned is not ascertainable and therefore, may not be an accurate comparison with the Company's information not available in a comparable manner, and hence not mentioned.

**Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated July 13, 2024 having UDIN: 24151324BKESID9890.**

## WEIGHTED AVERAGE COST OF ACQUISITION:

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

The details of issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days are as follows:

The details of allotment of 685000 Equity Shares made on March 31, 2023, by way of rights issue, in the ratio of 1:10 i.e., 1 (One) New Equity Share for every 10 (Ten) Equity Shares held on March 20, 2023 are as follows:

Sr No.	Name of Allottee	Number of Securities Allotted	Face Value (₹)	Issue Price per Equity Share (in ₹)	Nature of consideration	Total Consideration (in ₹ lakhs)
1.	Mr. Raja Gopal Reddy	616500	10.00	10.00	Cash	61.65
2.	Mr. Nageswara Rao Repuri	68500	10.00	10.00	Cash	6.85
<b>Weighted Average Cost of Acquisition (WACA)</b>						<b>10.00</b>

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

There are no secondary sale/ acquisition of whether equity shares or convertible securities, where the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

Since there are transactions to report under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions is not required to be disclosed.

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

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (in ₹)	Cap Price (in ₹)
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	10.00	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoters / promoter group entities or Selling Shareholder or	N.A.	N.A.	N.A.

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (in ₹)	Cap Price (in ₹)
shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.**			
Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Red Herring Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoters /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction.	N.A.	N.A.	N.A.

**\*\*There were no secondary transactions of shares (equity/ convertible securities) in last 18 months from the date of this Red Herring Prospectus which are equal to or more than 5% of the fully diluted paid-up share capital of our Company.**

**Note:**

Justification for Basis of Issue price: -

- The following provides a detailed explanation for the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoters, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Red Herring Prospectus compared to our Company's KPIs and financial ratios for the Financial Years 2023-24, 2022-23 and 2021-22.

[●]

*(To be included on finalization of Price Band)*

- The following provides an explanation to the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoters, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Red Herring Prospectus in view of external factors, if any

[●]

*(To be included on finalization of Price Band)*

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with "Risk Factors", "Business Overview" and "Summary of Restated Financial Information" beginning on pages 25, 115 and 50, respectively of this Red Herring Prospectus, to have a more informed view.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
The Board of Directors,  
V.L.Infraprojects Limited  
716, Shivalik Satyamev,  
Nr. Vakil Saheb Bridge Bopal,  
Ahmedabad, Gujarat,  
India, 380058

Dear Sir,

**Subject - Statement of possible tax benefits (“the statement”) available to V.L.Infraprojects Limited (“the company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.**

**Reference - Initial Public Offer of Equity Shares by V.L.Infraprojects Limited.**

1. We hereby confirm that the enclosed Annexure I, prepared by V.L.Infraprojects Limited (“the Company”), which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company and/or its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and/ or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company and/ or its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company and/ or its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are 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
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. We do not express any opinion or provide any assurance as to whether
  - i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been met with; and
  - iii) the revenue authorities courts will concur with the views expressed herein.
6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.
7. No assurance is given that the revenue authorities / Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.



8. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
9. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Red Herring Prospectus/ Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For M/s. SVJK and Associates**  
**Chartered Accountants**  
**FRN: 135182W**

**CA Ankit Singhal**  
**Partner**  
**Membership No.: 151324**

**UDIN: 24151324BKESHS3750**  
**Place: Ahmedabad**  
**Date: July 13, 2024**

---

## ANNEXURE I TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and/ or the Shareholders under the Taxation Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Taxation Laws.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

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

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

We hereby give our consent to include our above referred opinion regarding the special tax benefits available to the Company and to its shareholders in the Red Herring Prospectus / Prospectus.

## SECTION VIII – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

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

#### GLOBAL OUTLOOK

Global economic activity continues to soften, amid the effects of tight monetary policies, restrictive financial conditions, and weak global trade growth. After a sharp slowdown in 2022 and another decline last year, global output growth is set to edge down in 2024, marking the third consecutive year of deceleration. The recent conflict in the Middle East has heightened geopolitical risks and raised uncertainty in commodity markets, with potential adverse implications for global growth. This comes while the world economy is continuing to cope with the lingering effects of the overlapping shocks of the past four years—the COVID-19 pandemic, the Russian Federation’s invasion of Ukraine, and the rise in inflation and subsequent sharp tightening of global monetary conditions.

Near-term prospects are diverging (figure 1.1.A). Growth in advanced economies as a whole and in China is projected to slow in 2024 to well below its 2010-19 average pace. Meanwhile, aggregate growth is set to improve in EMDEs with strong credit ratings, remaining close to pre-pandemic average rates. Although overall growth is also expected to firm somewhat from its 2023 low in EMDEs with weak credit ratings, the outlook for many such countries remains precarious, given elevated debt and financing costs, and idiosyncratic headwinds such as conflict.

Global headline and core inflation have continued to decline from 2022 peaks. Nonetheless, inflation remains above target in most advanced economies and about half of inflation-targeting EMDEs. Global inflation is projected to remain above its 2015-19 average beyond 2024 (figure 1.1.B). Monetary tightening in advanced economies is concluding, but real policy interest rates are expected to remain elevated for some time, as inflation returns to target only gradually. This will keep the stance of advanced-economy monetary policies restrictive in the near-term, following the largest and fastest increase in U.S. real policy rates since the early 1980s (figure 1.1.C).

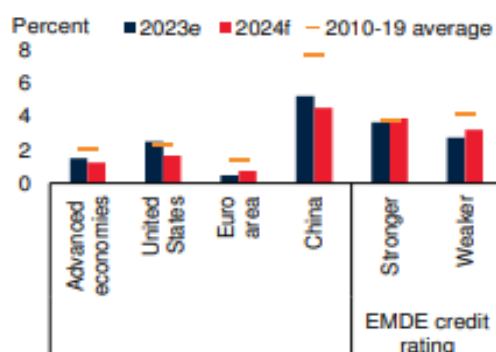
Long-term yields on advanced-economy government bonds were volatile in 2023, reflecting shifting expectations about the path of future interest rates and sizable movements in term premia. Although yields have retreated from their late-October peaks, they still imply increased fiscal vulnerabilities, given that median global government debt has risen by 20 percentage points of GDP since 2007, when U.S. yields were last at their current levels. The drag on growth from monetary tightening is expected to peak in 2024 in most major economies, assuming an orderly evolution of broader financial conditions. Thus far, headwinds to growth from elevated interest rates have been offset, to some degree, by households and firms spending out of savings buffers, resilient risk appetite, and extended maturities on stocks of low-cost debt, as well as by expansionary fiscal policy in some cases, most notably the United States.

Global trade growth in 2023 was the slowest outside global recessions in the past 50 years, with goods trade contracting amid pandemic global industrial production. Services trade has continued to recover from the effects of the pandemic, but at a slower pace than previously expected. Global trade growth is projected to pick up to 2.3 percent in 2024, partly reflecting a recovery of demand for goods and, more broadly, in advanced-economy trade (figure 1.1.D).

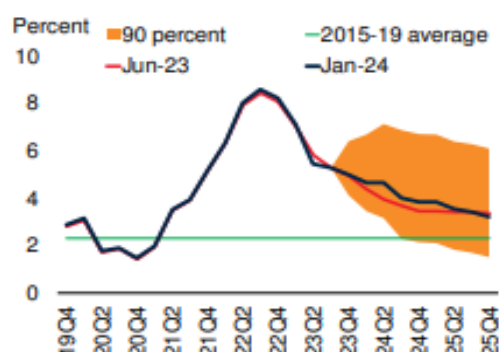
The recent conflict in the Middle East has so far had only a muted impact on commodity prices. In 2023 as a whole, most commodity prices weakened to varying degrees; however, they remain above pre-pandemic levels. Despite recent volatility triggered mainly by the conflict, and assuming hostilities do not escalate, average oil prices in 2024 are projected to edge down as global growth weakens and oil production increases.

Against this backdrop, global growth is estimated to have weakened last year to 2.6 percent. Although this is 0.5 percentage point higher than last June’s forecast, it is mainly due to better than-expected growth in the United States. Global growth is forecast to slow again, to 2.4 percent in 2024. This deceleration reflects softening labor markets, reduced savings buffers, waning pent-up demand for services, the lagged effects of monetary tightening, and fiscal consolidation. Over 2020-24, the forecast entails the weakest start to a decade for global growth since the 1990s—another period characterized by geopolitical strains and a global recession (figure 1.1.E; Kose, Sugawara, and Terrones 2020). Global growth is projected to pick up to 2.7 percent in 2025, as inflation continues to slow, interest rates decline, and trade growth firms.

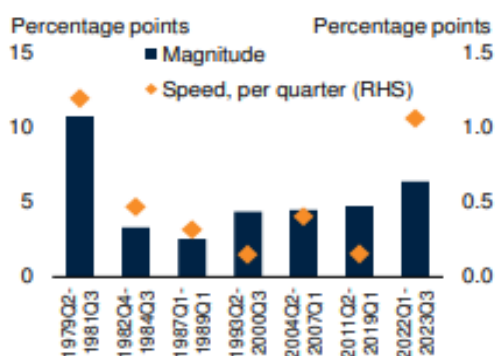
### A. Growth, by economy and EMDE credit rating



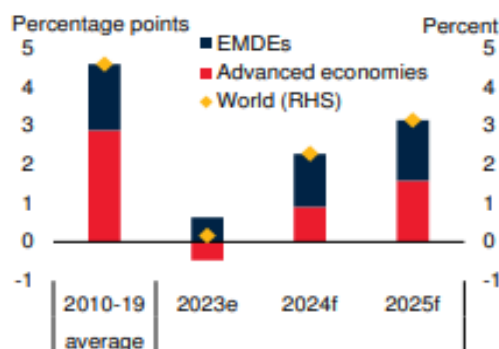
### B. Global consumer price inflation



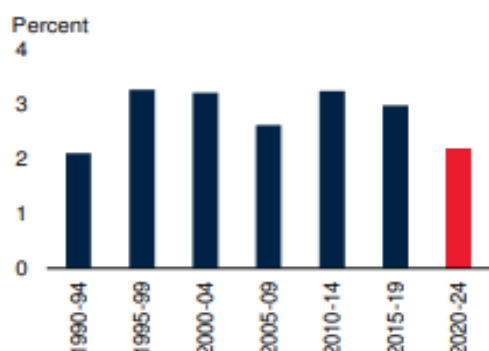
### C. U.S. real interest rate cycles



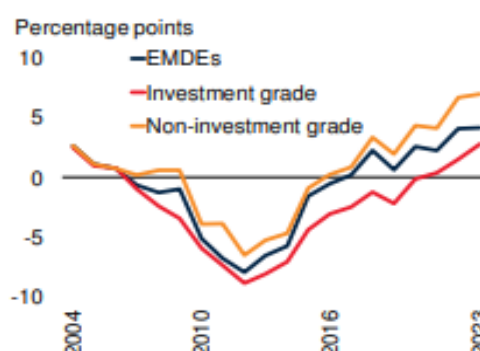
### D. Contributions to global trade growth



### E. Global growth



### F. EMDE bond yields minus nominal growth rates



Advanced-economy growth is set to bottom out at 1.2 percent in 2024 as growth in the United States slows, while euro area growth, which was feeble last year, picks up slightly as lower inflation boosts real wages. In 2025, growth in advanced economies is forecast to pick up to 1.6 percent as the euro area continues to recover and U.S. growth edges up toward its long-term trend rate amid declining inflation and more supportive monetary policy.

Growth in EMDEs is forecast to average 3.9 percent a year over 2024-25. China's growth is expected to slow notably this year, as tepid consumer sentiment and a continued downturn in the property sector weigh on demand and activity. Excluding China, EMDE growth is set to firm from 3.2 percent in 2023 to 3.5 percent this year and 3.8 percent in 2025. This pickup reflects a rebound in trade and improving domestic demand in several large economies, as inflation continues to recede. Nonetheless, elevated borrowing costs will continue to squeeze fiscal space in EMDEs: U.S. dollar-denominated bond yields are well above the growth rates of nominal GDP in many countries, especially those with weaker

creditworthiness (figure 1.1.F). Although growth in low income countries (LICs) is forecast to firm, this will follow a feeble recovery from 2020, with violence and political instability in some countries curtailing activity last year.

In all, the EMDE recovery from the 2020 pandemic recession remains modest. This reflects the negative effects of headwinds such as tight global financial conditions, a weak recovery in global trade, sharp domestic monetary tightening to tame inflation, the marked slowdown in China, and increased conflict. It also reflects the longer term downtrend in EMDE potential growth, including in China, due to decelerating investment and productivity growth, slowing labor force growth amid population aging, and the diminishing growth benefits of improvements in education and health (Kose and Ohnsorge 2023).

Risks to the outlook remain tilted to the downside, although they have become somewhat more balanced since June, following continued declines in inflation and the stabilization of advanced-economy banking systems after stresses early last year. The recent conflict in the Middle East, coming on top of Russia's invasion of Ukraine, has sharply heightened geopolitical risks. Intensification of these conflicts, or increasing geopolitical tensions elsewhere, could have adverse global repercussions through commodity and financial markets, trade, and confidence. Recent attacks on commercial vessels transiting the Red Sea have already started to disrupt key shipping routes, eroding slack in supply networks and increasing the likelihood of inflationary bottlenecks. In a setting of escalating conflicts, energy supplies could also be substantially disrupted, leading to a spike in energy prices. This would have significant spillovers to other commodity prices and heighten geopolitical and economic uncertainty, which in turn could dampen investment and lead to a further weakening of growth.

On the upside, resilient economic activity and declining inflation in the United States could be sustained, even in the face of substantial headwinds, if aided by further labor supply improvements. There is therefore a possibility that U.S. growth continues to be stronger than projected as price pressures recede and monetary policy is eased, which would bolster global activity.

If any of the aforementioned downside risks were to materialize, they could lead to weaker growth than projected in the baseline. Alternative downside scenarios—including higher oil prices due to an escalation of geopolitical tensions, financial stress in EMDEs that leads to surging sovereign spreads, and weaker growth in China resulting in adverse global spillovers via commodity and other channels—show that in each case global growth in 2024 would be reduced by 0.2 percentage point below the baseline. In contrast, an upside scenario with higher-than expected U.S. growth due to continuing strong supply conditions could boost global growth by 0.2 percentage point this year.

## Global Trade

Global trade in goods and services was virtually flat in 2023, growing by an estimated 0.2 percent—the slowest expansion outside global recessions in the past 50 years. Goods trade contracted last year, reflecting declines in key advanced economies and deceleration in EMDEs, and mirroring the sharp slowdown in the growth of global industrial production. This marked the first sustained contraction in goods trade outside a global recession in the past 20 years (figure 1.3.A). Reflecting stagnant goods trade and fading pandemic-era disruptions, global supply chain pressures have returned to pre-pandemic averages after receding to record lows in mid-2023. Services trade slowed in the second half of 2023, following an initial rebound from the pandemic (figure 1.3.B).

After lagging the pace of global growth in 2023, global trade is projected to pick up to 2.3 percent in 2024, mirroring projected growth in global output (figure 1.3.C). This reflects a partial normalization of trade patterns following exceptional weakness last year (WTO 2023). Goods trade is envisaged to start expanding again, while the contribution of services to total trade growth is expected to decrease, aligning more closely with the trade composition patterns observed before the pandemic. However, in the near term, the responsiveness of global trade to global output is expected to remain lower than before the pandemic, reflecting subdued investment growth. This is because investment tends to be more trade-intensive than other types of expenditures. Global tourist arrivals are expected to return to pre-pandemic level in 2024, although the recovery is set to lag in some countries where reopening was delayed.

The global trade growth forecast for 2024 has been revised down by 0.5 percentage point since June, reflecting weaker-than-expected growth in China and in global investment. As a result, the recovery of trade now projected for 2021-24 is the weakest following a global recession in the past half century (figure 1.3.D).

Geopolitical uncertainty, especially in light of ongoing armed conflicts, and the possibility of a more protracted slowdown in China pose downside risks to the trade outlook. Another downside risk arises from the possibility of further measures to restrict international trade. The recent increase in the use of restrictive trade policies, as well as subsidies and industrial policies aimed at localizing production, has accelerated the reshoring of activities by U.S. and European Union (EU) multinationals, although some of this reflects a desire by firms to diversify sourcing to reduce exposure to adverse shocks (Aiyar, Presbitero, and Ruta 2023; Freund et al. 2023). Continuation of this trend could result in more fragmented supply chains and slower trade growth than projected in the baseline.

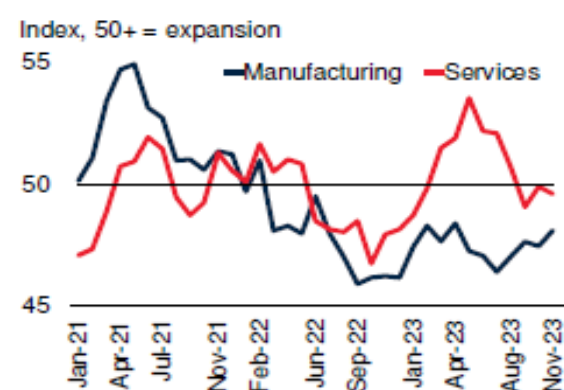
## FIGURE 1.3 Global trade

*Global goods trade contracted in 2023, marking the first annual decline outside of global recessions in the past 20 years. Services trade growth slowed in the second half of last year, following an initial rebound from the pandemic. After stagnating in 2023, global trade in goods and services is projected to grow by 2.3 percent in 2024. The recovery in global trade in 2021-24 is projected to be the weakest following a global recession in the past half century.*

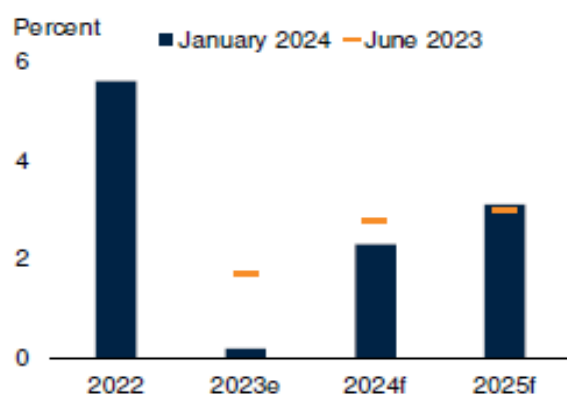
### A. Growth of global goods trade and industrial production



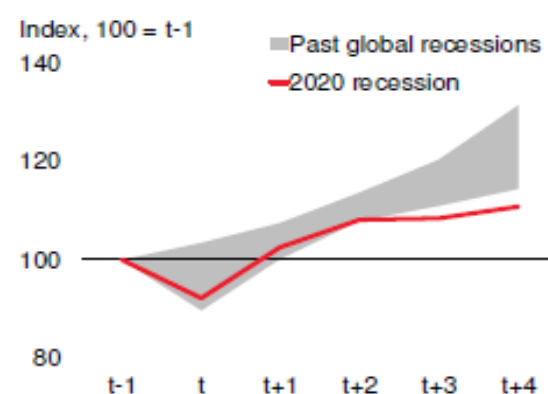
### B. Global PMI new export orders



### C. Global trade growth



### D. Global trade around global recessions



## Global Inflation

Global headline consumer price inflation declined substantially in 2023. Moderating energy and food price inflation, along with slowing consumer demand for goods and the recovery of global supply chains, exerted significant downward pressure on goods inflation. Nonetheless, inflation remains above targets in most advanced economies and in about half of inflation-targeting EMDEs. In the major advanced economies, the rotation of demand from goods to services continued. Declining goods inflation amid easing import prices was partly offset, however, by persistent services inflation tied to tight domestic labor markets. As a result, core inflation, which surged less than headline inflation in 2021-22, has also declined less since its 2022 peak.

In 2024-25, global inflation is expected to decline further, underpinned by the projected weakness in global demand growth and slightly lower commodity prices. Subdued demand reflects the effects of tight monetary and credit conditions and



softening labor markets. Thus, global headline inflation, on a year-on-year basis, is forecast to recede to 3.7 percent in 2024 and 3.4 percent in 2025—still above the pre-pandemic (2015-19) average but closer to central bank inflation targets (figure 1.5.E). Surveys of inflation expectations similarly suggest a steady decline in inflation, but to levels in 2024 that are still higher than prepandemic averages (figure 1.5.F). In particular, Consensus forecasts indicate lower inflation this year than last in 85 percent of EMDEs.

### Global financial developments

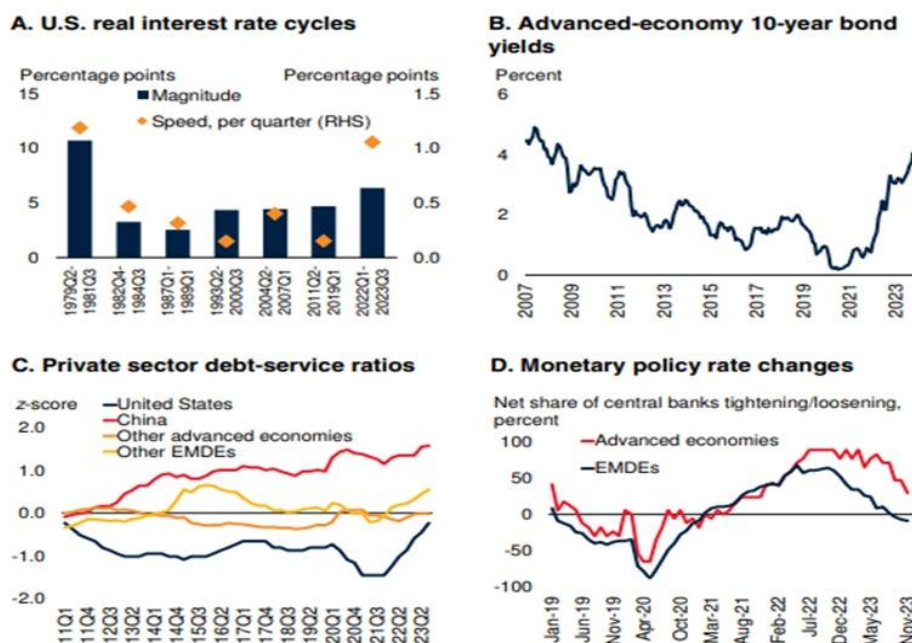
Monetary tightening in advanced economies is concluding, with subsequent easing of policy interest rates likely to proceed at a measured pace. This, alongside softening inflation, could keep real policy rates elevated for an extended period, following the largest and fastest increase in real U.S. policy rates since the early 1980s (figure 1.6.A). In the United States, tight monetary policy reflects better-than-expected growth outturns. In the euro area, persistent core inflation has played a larger role. Reflecting both the outlook for policy rates and volatile term premia, government bond yields in advanced economies in October reached their highest levels since the late 2000s. Although yields have pulled back since then, they remain at levels that will put upward pressure on the cost of capital for governments and firms as debts are rolled over (figure 1.6.B).

High financing costs have been reflected in credit market developments. Advanced-economy banks have been reporting restrictive lending standards, and bank credit growth has slowed sharply. In addition, corporate bankruptcies and credit card delinquencies have picked up. Although private sector debt-service ratios remain generally manageable, reflecting the stock of debt issued at low fixed rates, they have been trending up, most notably in China (figure 1.6.C). Risk appetite in advanced-economy financial markets has nonetheless been resilient, which has somewhat mitigated the tightening effect of higher interest rates on broad financial conditions. Indeed, equity volatility was subdued in the second half of 2023, while corporate credit spreads were generally below 2000-19 median levels.

Across EMDEs, a rising number of central banks have started cutting policy rates, with further reductions expected in the coming months, especially in Europe and Latin America (figure 1.6.D). Most EMDEs have so far exhibited few signs of financial stress, despite higher interest rates. This is likely due to a mix of factors, including better-than-expected growth, limited current account vulnerabilities, and declining inflation following proactive monetary tightening, all of which have helped contain currency depreciation.

**FIGURE 1.6 Global financial developments**

*Advanced-economy monetary policies are expected to remain tight—including in the United States, following the largest and fastest increase in real policy rates since the early 1980s. In October, advanced-economy government bond yields reached their highest levels since the late 2000s, though they have since pulled back. Private sector debt-service ratios remain manageable but have been trending up, particularly in China. Central banks in a growing number of EMDEs have started to cut rates ahead of advanced economies. Financial strains are evident in the one fourth of EMDEs with weak credit ratings: they stopped issuing international bonds two years ago and many have experienced sharp currency depreciation.*



(Source: *Global Economic Prospects, January 2024*)

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP). The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

*(Source: Economic Survey 2022-23, DEA)*

## **ABSTRACT OF THE REPORT**

Driven by a better-than-expected performance in Q2 of FY24 and above 7 per cent growth projection for FY24 (by MoSPI in its first advance estimates), many global agencies have revised India's growth projection in the upward direction. This reflects the resilience of the Indian economy to sustain its growth path amidst ongoing geopolitical headwinds. The measures announced in the Interim Union Budget FY25 are expected to play a pivotal role in supporting India's growth journey ahead.

Increased Government spending on capex announced in the Union Budget has not resulted in a huge jump in its total expenditure. Rather, there has been a reprioritisation in Government spending as reflected in an improvement in the capital outlay to revenue expenditure ratio. Despite rising capex, required expenditures to protect the people from the impact of uncertainties have not been compromised. The Government's inclusive approach to economic growth is highlighted in a slew of initiatives that have been announced for the poor, women, youth, and farmers. Amidst changing spending patterns,

the Government's commitment towards fiscal consolidation has not been compromised, as it stands firm to follow the glide path. The Government has lowered its Fiscal Deficit estimate for FY24 to 5.8 per cent of Nominal GDP, compared to the Budget Estimate of 5.9 per cent, and stands committed to lowering it further to 5.1 per cent in FY25.

Global slowdown, especially in India's major trading partners, has led to a slowdown in demand for India's merchandise exports. At the same time, there has been a decline in the overall value of imports due to a fall in international commodity prices, which spiked after the outbreak of the Russia-Ukraine conflict. This has led to a narrowing of India's merchandise trade deficit in the first ten months of FY24. A narrowing merchandise trade deficit, coupled with rising net services receipts, is expected to result in an improvement in India's current account deficit. As far as capital account is concerned, India's strong macroeconomic fundamentals, high growth and stable business environment have boosted Foreign Portfolio Inflows (FPIs).

Inflationary pressures have moderated in January 2024 due to a fall in food as well as core inflation. The recent measures announced by the Government to control food prices, are likely to reduce inflation further. The expectations of the fading away of El Nino and the forecast of a normal monsoon bodes well for a better-than-normal kharif sowing.

## OUTLOOK

Going forward, the outlook for the Indian economy appears bright. RBI has forecasted India's Real GDP to grow at 7 per cent in FY25, with risks evenly balanced. Prospects of healthy rabi harvesting, sustained manufacturing profitability and underlying service resilience are expected to support economic activity in FY25. On the demand side, household consumption is expected to improve, while prospects for capital formation are bright owing to an upturn in the private capex cycle, improved business sentiments, healthy balance sheets of banks and corporates, and the government's continued thrust on capital expenditure. Improvement in the outlook for global trade and rising integration in the global supply chain will support net external demand. However, headwinds from geopolitical tensions, such as supply chain disruptions and higher logistics costs, volatility in international financial markets, and geoeconomic fragmentation, pose downside risks.

Downside risks to trade include a spike in new commodity prices from geopolitical shocks, including continued attacks in the Red Sea and supply disruptions or more persistent underlying inflation in the developed world, which could extend tight monetary conditions. This could impact the expected recovery in global demand, thereby affecting the prospects for India's exports. On the contrary, the average crude oil FOB price for the Indian basket for FY24 (up to 12 February 2024) at USD 82.2/bbl remains lower than the average of USD 93.2/bbl during FY23. Core inflation for FY24 (up to January 2024) is also the lowest since FY21 (MOSPI). Lower input prices and overall inflation can influence output growth positively, which in turn can further improve the prospects for exports. Given persisting uncertainties for global output and trade growth, finding ways to enhance the competitiveness and attractiveness of India's exports is both urgent and important.

As far as inflation is concerned, according to the latest release of inflation data for January 2024, month-on-month momentum in price indices of vegetables, pulses and overall food items is (-) 4.2 per cent, (-) 0.9 per cent and (-) 0.7 per cent, respectively. Hence, it is expected that food inflation will moderate further in the upcoming months. RBI has revised the inflation projection for Q4 of FY24 downward to 5 per cent in the Monetary Policy Statement of February 2024, from 5.2 per cent in the previous MPC meeting. RBI has also kept the policy rate unchanged at 6.5 per cent to facilitate full monetary transmission. With the stable downward movement in core inflation and moderation in food prices, the outlook for a reasonably low headline inflation rate is good.

*(Monthly Economic Review Report, January 2024, DEA)*

## INDUSTRY – INFRASTRUCTURE SECTOR

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

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

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

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



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

To meet India’s aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as ‘Make in India’ and the production-linked incentives (PLI) scheme to augment the growth of infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water& irrigation. While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

### MARKET SIZE

In Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP. As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.

Starting with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports. Under the initiative, 2476 projects are under the development phase with an estimated investment of US\$ 1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 are in the roads and bridges sub-sector.

The Indian Railways expects to complete total revenue of Rs. 2,64,500 crore (US\$ 31.81 billion) by the end of 2023-24.

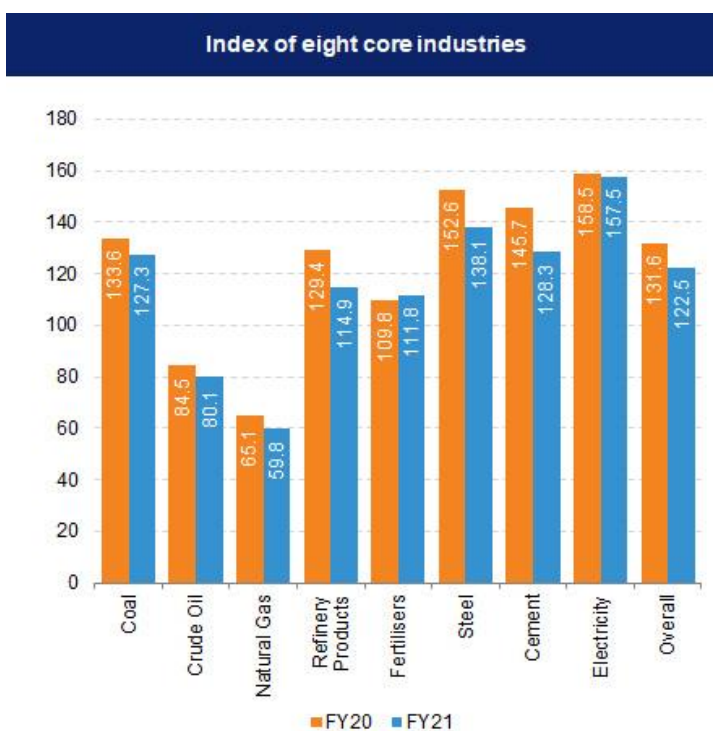
India’s Logistics Market is estimated to be US\$ 435.43 billion in 2023 and is expected to reach US\$ 50.52 billion by 2028, growing at a CAGR of 8.36%.

India intends to raise its ranking in the Logistics Performance Index to 25 and bring down the logistics cost from 14% to 8% of GDP, leading to a reduction of approximately 40%, within the next five years.

In December 2022, AAI and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore (US\$ 11.8 billion) in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities.

India plans to spend US\$ 1.4 trillion on infrastructure through ‘National Infrastructure Pipeline’ in the next five years. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion. India will need to construct 43,000 houses every day until 2022 to achieve the vision of Housing for All by 2022. As of August 22, 2022, 122.69 lakh houses have been sanctioned, 103.01 lakh houses have been grounded, and 62.21 lakh houses have been completed, under the Pradhan Mantri Awas Yojna scheme (PMAY-Urban).

Hundreds of new cities need to be developed over the next decade. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. India is expected to become the third-largest construction market globally by 2022. Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban



infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.

## ADVANTAGE INDIA

### 1. ROBUST DEMAND

- India intends to enhance its infrastructure to reach its 2025 economic growth target of US\$ 5 trillion.
- India's population growth and economic development require improved transport infrastructure, including investments in roads, railways, aviation, shipping and inland waterways.

### 2. ATTRACTIVE OPPORTUNITIES

- Development of infrastructure has a multiplier effect on demand and efficiency of transport and increases commercial and entrepreneurship opportunities.
- In June 2022, the Minister of Road Transport and Highways, opened 15 national highway projects worth Rs. 13,585 crore (US\$1.7 billion) in Patna and Hajipur, Bihar.
- In October 2021, the Dubai government and India signed a contract in October 2021 to build infrastructure in Jammu and Kashmir, including industrial parks, IT towers, multipurpose towers, logistics centres, medical colleges, and specialized hospitals.

### 3. POLICY SUPPORT

- Budget 2023-24 is complemented with a continuation of the 50-year interest-free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of ₹ 1.3 lakh crore (US\$ 16 billion).
- Under the National Infrastructure Pipeline (NIP), projects worth Rs. 108 trillion (US\$ 1.3 trillion) are currently at different stages of implementation
- In November 2022, National Investment and Infrastructure Fund (NIIF) is set up as a collaborative investment platform between the Government of India, global investors, multilateral development banks (MDB) and domestic financial institutions to facilitate investment across multiple sectors in India through an India Japan Fund.

### 4. INCREASING INVESTMENT

- Under Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$122 billion), which would be 3.3% of GDP and almost three times the outlay in 2019-20.
- Under Budget 2023-24, Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure, and power.

## OPPORTUNITIES IN INFRASTRUCTURE

### • Urban Indian real estate

As a result of digitalisation and opportunities that tier II and III cities present for economic growth, the divide between metro and non-metros is blurring, moving to the new era of infrastructure growth.

Commercial real estate properties have witnessed exponential growth in demand across Tier II & III cities as Information technology and Information technology enabled services and banking financial services and insurance focused organizations are increasingly decentralizing their operations to adapt to the new normal.

The residential sector has witnessed good sales, and launches have also shown signs of an uptick during 2022, total sales in the top-7 cities were projected to exceed 360,000 units in 2022.

### • National Infrastructure Pipeline

Started with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports.

Under the initiative, 2476 projects are under development phase with an estimated investment of US\$1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 in the roads and bridges sub-sector.

- **Government initiatives**

In recent years, there has been a substantial increase in the pace of construction of national highways, from an average of 12 kilometres per day in 2014-15 to around 29 kilometres per day in 2021-22.

In November 2022, National Investment and Infrastructure Fund (NIIF) is set up as a collaborative investment platform between the Government of India, global investors, multilateral development banks (MDB) and domestic financial institutions to facilitate investment across multiple sectors in India through an India Japan Fund.

In June 2022, the Minister of Road Transport and Highways, opened 15 national highway projects worth Rs. 13,585 crore (US\$1.7 billion) in Patna and Hajipur, Bihar.

In March 2022, the Minister of Road Transport and Highway, opened 19 National Highway projects in Rajasthan and Haryana, investing a total of Rs. 1,407 crore (US\$ 183.9 million).

In October 2021, the Dubai government and India signed a contract in October 2021 to build infrastructure in Jammu and Kashmir, including industrial parks, IT towers, multipurpose towers, logistics centres, medical colleges, and specialized hospitals.

(Source: <https://www.ibef.org/industry/infrastructure-sector-india>)

## GOVERNMENT INITIATIVES DRIVING GROWTH IN THE SECTOR

### 1. Jal Jeevan Mission

Jal Jeevan Mission, is envisioned to provide safe and adequate drinking water through individual household tap connections by 2024 to all households in rural India. The programme will also implement source sustainability measures as mandatory elements, such as recharge and reuse through grey water management, water conservation, rain water harvesting.

The Jal Jeevan Mission will be based on a community approach to water and will include extensive Information, Education and communication as a key component of the mission. The Jal Jeevan Mission will be based on a community approach to water and will include extensive Information, Education and communication as a key component of the mission. JJM looks to create a jan andolan for water, thereby making it everyone's priority.

(Source: <https://jaljeevanmission.gov.in/>)

### 2. Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

*Atal Mission for Rejuvenation and Urban Transformation (AMRUT)* was launched on 25th June 2015 in selected 500 cities and towns across the country. The Mission focuses on development of basic infrastructure, in the selected cities and towns, in the sectors of water supply; sewerage and septage management; storm water drainage; green spaces and parks; and non-motorized urban transport. A set of Urban Reforms and Capacity Building have been included in the Mission.

Ministry of Housing and Urban Affairs has approved State Annual Action Plans (SAAPs) of all the States/Union Territories (UTs) amounting to ₹77,640 crore for the entire Mission period, which includes committed Central Assistance (CA) of ₹35,990 crore. So far, States/UTs have taken up 5,873 projects worth ₹82,222 crore, of which 4,676 projects worth ₹32,793 crore have been completed, and another 1,197 projects worth ₹49,430 crore have been grounded which are at various stages of implementation. Further, overall works worth around ₹66,313 crore have been physically completed and expenditure of ₹59,615 crore has been incurred.

Till December 22, 2022, 134 lakhs water tap connections and 102 lakh sewer connections (including households covered through Faecal Sludge and Septage Management - FSSM) have been provided through AMRUT & in convergence with other schemes against targeted 139 lakh water connections and 145 lakh sewer connections respectively.

AMRUT Mission has been subsumed under **AMRUT 2.0**, which was launched on October 01, 2021 and ongoing projects of AMRUT 1.0 will be funded with CA till March 31, 2023.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) 2.0 scheme, which has been launched on October 01, 2021 for the period of 05 years i.e. from the financial year 2021-22 to the financial year 2025-26, is designed to provide universal coverage of water supply through functional taps to all households in all the statutory towns in the country and coverage of sewerage/septage management in 500 cities covered in first phase of the AMRUT scheme.



AMRUT 2.0 will promote circular economy of water through development of City Water Balance Plan (CWBP) for each city focusing on recycle/reuse of treated sewage, rejuvenation of water bodies and water conservation. It will help cities to identify scope for projects focusing on universal coverage of functional water tap connections, water source conservation, rejuvenation of water bodies and wells, recycle/reuse of treated used water, and rainwater harvesting. Based on the projects identified in CWBP, Mission envisages to make cities 'water secure' through circular economy of water.

Mission also has a reform agenda on ease of living of citizens through reduction of non-revenue water, recycle of treated used water, rejuvenation of water bodies, augmenting double entry accounting system, urban planning, strengthening urban finance etc.

Other components of AMRUT 2.0 are:

- Pey Jal Survekshan to ascertain equitable distribution of water, reuse of wastewater, mapping of water bodies and promote healthy competition among the cities /towns.
- Technology Sub-Mission for water to leverage latest global technologies in the field of water.
- Information, Education and Communication (IEC) campaign to spread awareness among masses about conservation of water.

The total indicative outlay for AMRUT 2.0 is ₹2,99,000 crore including Central share of ₹76,760 crore for five years. This outlay includes funding of ₹22,000 crore (₹10,000 crore as Central Assistance) for ongoing projects of AMRUT till March 2023.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1885837>)

## INCREASING INVESTMENTS IN INDIAN INFRASTRUCTURE

- The National Infrastructure Pipeline (NIP) for 2019-2025 is a first-of-its-kind, whole-of-government exercise to provide world-class infrastructure to citizens, improving their quality of life.
- Infrastructure is the backbone of any country. Its development implies growth in all sectors of the economy, not to mention real estate, an indirect beneficiary of every headwind in infrastructure sector. The PM Awas Yojna and the extended credit-linked subsidy scheme address the affordability concern by provisioning increment in the PM Awas Yojna by 66% to 79,000 crores and extension of CLSS till 2027.
- FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.23 billion and US\$ 28.95 billion, respectively, between April 2000-September 2022.
- In January 2023, the Construction arm of Larsen & Toubro secured orders for its power transmission & distribution and buildings & factories businesses to establish a 112.5MW Solar Power Plant in West Bengal and to construct a 600-bed super speciality hospital in Mumbai, respectively.
- In December 2022, BHEL formed a consortium with Titagarh Wagons and is among five entities which have bid for the mega Rs. 58,000 crore (US\$ 7 billion) contract to manufacture 200 Vande Bharat trains and maintain them for the next 35 years.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated and laid the foundation stone of 8 National Highway projects of 226 km length worth Rs. 1,800 crore (US\$ 217.4 million) at Igatpuri, Nashik, Maharashtra.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 7 National Highway projects worth Rs. 2,444 crore (US\$ 295 million) with a total length of 204 km in Rewa, Madhya Pradesh.
- In November 2022, the Prime Minister of India laid the foundation stone of various road projects worth over Rs. 2200 crore (US\$ 2.6 billion), namely the Medak-Siddipet-Elkathurthy section of NH-765DG; Bodhan-Basar-Bhainsa section of NH-161BB; Sironcha to Mahadevpur Section of NH-353C in Telangana.
- In October 2022, National Highways Infra Trust (NHAI InvIT), the infrastructure investment trust sponsored by the National Highway Authority of India (NHAI) to support the Government of India's National Monetization Pipeline, raised a sum of Rs. 1,430 crore (US\$ 172.6 million) from domestic and international investors through the placement of its units, for part funding its acquisition of three additional road projects from NHAI.
- As many as 52 critical infrastructure gap projects identified by MoPSW for connecting maritime ports and IWTs (Inland Waterway Terminals) to be taken up under PM Gati Shakti National Master Plan. Currently, the DPR of a

total of 56 projects (including 11 IWT projects) under this category with a total of 1215 km length are under the bidding stage for the feasibility assessment of these projects, which is being carried out by NHAI.

#### KEY HIGHLIGHTS OF UNION BUDGET 2023-24

- A capital outlay of Rs 2.6 lakh crore (US\$ 31.61 billion) has been provided for the Railways in 2023-24, which is the highest ever outlay and about 9 times the outlay made in 2013- 14.
- Infrastructure Finance Secretariat is being established to enhance opportunities for private investment in infrastructure that will assist all stakeholders in more private investment in infrastructure, including railways, roads, urban infrastructure, and power.
- The Government has decided to continue the 50-year interest-free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of Rs 1.3 lakh crore (US\$16 billion).
- A capital outlay of Rs 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013- 14.
- 100 critical transport infrastructure projects, for last and first-mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified and will be taken up on priority with an investment of Rs. 75,000 crore (US\$ 9 billion), including Rs. 15,000 crore (US\$ 1.8 billion) from private sources.
- 50 additional airports, heliports, water aerodromes and advanced landing grounds will be revived for improving regional air connectivity.
- An Urban Infrastructure Development Fund (UIDF) will be established through the use of priority sector lending shortfall, which will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- For realizing the vision of “Make A-I in India and Make A-I work for India”, three centres of excellence for Artificial Intelligence will be set-up in top educational institutions.
- The Digital Public infrastructure for agriculture will be built as an open source, open standard and inter-operable public good that will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for the growth of agri-tech industry and start-ups.
- 157 new nursing colleges will be established in co-location with the existing 157 medical colleges established since 2014.
- The Awas Yojana budget estimate for 2023-'24 constitutes an allocation of Rs. 25,103 crore (US\$ 3 billion) to Pradhan Mantri Awas Yojana-Urban and Rs. 54,487 crore (US\$ 6.5 billion) to Pradhan Mantri Awas Yojana-Gramin.

#### ROAD AHEAD

India must enhance its infrastructure to reach its 2025 economic growth target of US\$ 5 trillion. India's population growth and economic development requires improved transport infrastructure, including through investments in roads, railways, and aviation, shipping and inland waterways.

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

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

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

As a result of digitalisation and opportunities that tier II and III cities present for economic growth, the divide between metro and non-metros is blurring, moving to the new era of infrastructure growth. Commercial real estate properties have witnessed exponential growth in demand across Tier II & III cities as Information technology and Information technology enabled services and banking financial services and insurance focused organizations are increasingly decentralizing their operations to adapt to the new normal.

The residential sector has witnessed good sales, and launches have also shown signs of an uptick during 2022, total sales in the top-7 cities was projected to exceed 360,000 units in 2022.

Civil Aviation Ministry's "Vision 2040" report states that there will be 190-200 functioning airports in India by 2040. Delhi and Mumbai will have three international airports each, while top 31 Indian cities will have two operational airports each.

220 destinations (airports/heliports/water aerodromes) under UDAN are targeted to be completed by 2026 with 1000 routes to provide air connectivity to unconnected destinations in India.

102 critical projects under the Gati Shakti masterplan worth \$7.67 billion are to be completed by 2024, making 2023 a critical year for effective execution and celerity of completion.

India's Infrastructure forms an integral part of the country's economic ecosystem. There has been a significant shift in the industry that is leading to the development of world-class facilities across the country in the areas of roads, waterways, railways, airports, and ports, among others. The country-wide smart cities programmes have proven to be industry game-changers. Given its critical role in the growth of the nation, the infrastructure sector has experienced a tremendous boom because of India's necessity and desire for rapid development. The expansion has been aided by urbanisation and an increase in foreign investment in the sector.

The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government has suggested investment of Rs. 5,000,000 crore (US\$ 750 billion) for railways infrastructure from 2018-30. India's GDP is expected to grow by 8% over the next three fiscal years, one of the quickest rates among major, developing economies, according to S&P Global Ratings. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for development of Northeast to undertake strategic infrastructure projects for the region.

India being a developing nation is set to take full advantage of the opportunity for the expansion of the infrastructure sector, and it is reasonable to conclude that India's infrastructure has a bright future ahead of it.

(Source: <https://www.ibef.org/industry/infrastructure-sector-india>)

## BUSINESS OVERVIEW

**The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “Risk Factors” on Page no. 25 of this Red Herring Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “V.L.Infraprojects”, “VLIL” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Red Herring Prospectus.**

Our Company was originally incorporated as “V.L.Infraprojects Private Limited” as a private limited company under the provisions of the Companies Act, 2013 and received a certificate of incorporation dated December 19, 2014 from the Registrar of Companies, Gujarat. Later our Company was converted into a Public Limited Company pursuant to special resolution passed by our shareholders in the Extra-ordinary General Meeting of our Company held on August 22, 2023 and the name of our Company was changed to “V.L.Infraprojects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 01, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081602.

Located at Ahmedabad, Gujarat, our company was founded by our visionary Promoter Cum Chairman and Managing Director & CEO, Mr. Rajagopal Reddy Annam Reddy. Our company is benefited from the extensive experience of our Promoters, Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri, having experience of more than 45 (Forty-Five) years. Our Board of Directors, Key Managerial Personnel and Senior Management Personnel has also provided significant contribution in the growth of our company.

The company is a Government Approved Contractor in “AA” Class with the Government of Gujarat, Civil/Electrical Contractor License from Karnataka State Public Works department, Special class registration in Government of Telangana and contractor registration in Government of Madhya Pradesh. The company provides designing, construction, and commissioning of various types of government projects especially in water infrastructure and irrigation segment.

The Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment’s (pumping machinery) for distribution of water supply from the river to household. We also provide operations & maintenance services for water distribution pipelines.

Our company began its operations focusing on water pipeline projects in Gujarat. We have since expanded our services to encompass all aspects of road construction, irrigation, water infrastructure, and environmental projects. We have locational presence in the state of Madhya Pradesh, Telangana, Maharashtra, and Gujarat. We are committed to maintaining the highest standards, the same is evident by the ISO 9001:2015 certification for quality management, ISO 14001:2015 certification for environmental management, and ISO 45001:2018 certification for occupational health and safety management systems.

Over the years, on material basis, we have successfully executed around 30 projects worth ₹ 10,486.43 Lakhs. Over time, our execution capabilities have grown significantly both in terms of the size of projects that we bid for and execute, and the number of projects that we execute simultaneously. As of July 13, 2024, we have 15 on-going projects worth approximately ₹ 33,880.94 Lakhs.

The Vision of the Company is to stride towards becoming a prominent player in Engineering and Construction Industry. We are focused on our vision and are working with a strategy to tap the huge growth potential in the Infrastructure Sector, in India both independently and through collaborations. To achieve this, we are committed to complete customer satisfaction by creating a value-driven ethical & professional working environment with well-defined objectives. These goals would be embracing the principles of engineering excellence, fostering innovation, leadership development, employee engagement and encouraging collaborations at all levels.

The company has achieved a great reputation in this field within a short span of time with its strong & effective management and intime project execution. Company has successfully handled and executed various water infrastructure projects of Gujarat Water Supply and Sewerage Board, Gujarat Water Infrastructure Limited, Nagarpalikas, Public Works Department (PWD) also with Joint Venture with Spun pipe Construction co (Baroda Private Limited), HM Electro mech Limited, Krishna Construction Co., Partnership Firm.

## FINANCIAL KPIs OF OUR COMPANY

Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (₹ in Lakhs)	11,393.16	4,555.70	3,555.34	3,072.08
Growth in Revenue from Operations (%)	150.09	28.14	15.73	-
Gross Profit (₹ in Lakhs)	3,923.68	1,908.80	2,069.51	1,843.88
Gross Profit Margin (%)	34.44	41.90	58.21	60.02
EBITDA (₹ in Lakhs)	1,090.40	471.77	313.82	245.55
EBITDA Margin (%)	9.57	10.36	8.83	7.99
Profit After Tax (₹ in Lakhs)	614.01	222.66	110.58	83.37
PAT Margin (%)	5.39	4.89	3.11	2.71
RoE (%)	46.20	25.41	16.37	14.41
RoCE (%)	39.09	22.97	18.41	20.24
Net Fixed Asset Turnover (In Times)	43.46	23.80	18.83	20.63
Operating Cash Flows (₹ in Lakhs)	(175.36)	113.88	(243.73)	49.10

#### OPERATIONAL KPIs OF THE COMPANY:

Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Workforce Strength	30	18	20	15
<b>Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers</b>				
Top 1 Customers (%)	37.80	40.35	51.87	44.03
Top 3 Customers (%)	63.80	74.86	80.15	72.41
Top 5 Customers (%)	80.50	95.59	91.97	86.86
Top 10 Customers (%)	95.48	99.93	100.00	100.56*
<b>Contribution to purchase material and stock in trade of top 1 / 3 / 5 / 10 Suppliers</b>				
Top 1 Suppliers (%)	27.99	35.18	19.82	23.49
Top 3 Suppliers (%)	63.41	64.28	41.42	37.29
Top 5 Suppliers (%)	72.52	76.90	53.83	48.46
Top 10 Suppliers (%)	82.87	84.90	64.09	67.85

\* The Percentage of revenue from top 10 customers exceeds 100% during the FY 2020-21 was due to reversal of unbilled revenue arose during the year due to discontinuation of a project and accounted under the head Revenue from Operations. The restated Profit & Loss account as well as Audited Profit & Loss Account for FY 2020-21 shows revenue from operation by adjusting that reversal from sales of service.

Out of our total revenue from operations more than 50% of revenue originates from Top 10 Customers consisting of Gujarat Water Supply and Sewerage Board, GKC Projects Limited, Naandi Infratech Private Limited, Nagarapalika Parishad, Kurwai, Nagarapalika Parishad, Sirmour, Nagarapalika Parishad, Pali and Nagarapalika Parishad, Dhanpuri. Further, out of our total purchases more than 50% of purchases originates from Top 10 suppliers consisting of The Spunpipe and Construction Company (Baroda) Private Limited, H.M. Electro Mech Limited, Umiya Steel Corporation, Bajrang Industries, AL Muneer MM Traders, Sri Rama Traders, AL Adil Traders, Saurashtra Cement Limited, Kamala Paints and Hardware and Jindal Saw Limited.

#### REVENUE BIFURCATION:

##### CATEGORY WISE REVENUE BIFURCATION

The revenue bifurcation of the issuer company for the last four years as per restated financial Statement are as follows:

(₹ in Lakhs)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Water Pipeline Construction including of O&M Services	8,992.62	3,324.80	1,770.10	1,754.06
Irrigation Projects	296.88	-	-	9.33
Road Construction	684.87	525.52	1,114.64	20.37
Building Construction	422.43	499.33	670.61	1,045.76
Power and Civil	-	-	-	188.76
Technical Services	-	-	-	53.80
Product Sale of Construction Materials	996.37	206.04	-	-
<b>Total</b>	<b>11,393.16</b>	<b>4,555.70</b>	<b>3,555.34</b>	<b>3,072.08</b>

### **STATE WISE REVENUE BIFURCATION**

The revenue bifurcation of the issuer company for the last four years as per restated financial Statement are as follows:

(₹ in Lakhs)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
<b>Domestic Revenue</b>				
Telangana	719.30	499.33	670.61	617.45
Gujarat	10,223.99	3,884.00	566.33	496.86
Karnataka	-	7.22	384.20	720.52
Maharashtra	60.03	25.82	345.44	203.83
Madhya Pradesh	389.85	139.32	705.86	605.10
Jharkhand	-	-	398.73	163.72
Uttarpradesh	-	-	484.18	173.80
Delhi	-	-	-	90.79
<b>Total</b>	<b>11,393.16</b>	<b>4,555.70</b>	<b>3,555.34</b>	<b>3,072.08</b>

### **REVENUE BIFURCATION**

**Revenue bifurcation based on projects undertaken by the Company and through Joint ventures**

(₹ in lakhs)

Sector	FY24	%	FY23	%	FY22	%	FY21	%
By Company	4,306.53	37.80%	1,632.36	37.53%	3,469.83	97.59%	2,830.25	92.13%
Through Joint Ventures	7,086.63	62.20%	2,717.29	62.47%	85.51	2.41%	241.83	7.87%
<b>Total</b>	<b>11,393.16</b>	<b>100.00%</b>	<b>4,349.66</b>	<b>100.00%</b>	<b>3,555.34</b>	<b>100.00%</b>	<b>3,072.08</b>	<b>100.00%</b>

**Bifurcation of number of projects awarded based on projects undertaken by the Company or through Joint ventures**

Sector	FY24	%	FY23	%	FY22	%	FY21	%
By Company	4	66.67%	1	25.00%	3	100.00%	6	100.00%
Through Joint ventures	2	33.33%	3	75.00%	-	0.00%	-	0.00%
<b>Total</b>	<b>6</b>	<b>100.00%</b>	<b>4</b>	<b>100.00%</b>	<b>3</b>	<b>100.00%</b>	<b>6</b>	<b>100.00%</b>

**Revenue bifurcation sector wise**

(₹ in lakhs)

Sector	FY24	%	FY23	%	FY22	%	FY21	%
Government	9,614.71	84.39%	3,283.34	75.49%	705.86	19.85%	621.94	20.24%
Private	1,778.46	15.61%	1,066.31	24.51%	2,849.48	80.15%	2,450.14	79.76%



Sector	FY24	%	FY23	%	FY22	%	FY21	%
<b>Total</b>	<b>11,393.16</b>	<b>100.00%</b>	<b>4,349.66</b>	<b>100.00%</b>	<b>3,555.34</b>	<b>100.00%</b>	<b>3,072.08</b>	<b>100.00%</b>

## OUR COMPETITIVE STRENGTH

### 1. Experienced Promoters and Management Team

Our promoters, Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri has more than 45 years of combined experience in various fields including Accounting, Finance, Human Resources and Construction operations. Our Promoter, Mr. Rajagopal Reddy Annam Reddy, has led the company with his vision. Our management team comprises experienced professionals. The strength and entrepreneurial vision of our Promoter and management have been instrumental in driving the steady growth of our company and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

### 2. Focused player in Water Supply Projects (WSPs)

We have over 9 years of extensive experience in successfully executing **Water Supply Projects (WSPs)** comprising of construction and development of pipelines, water tanks, reservoirs, tunnels, overhead tanks, water treatment plants and irrigation projects. Our Order Book contains **Water Supply Projects (WSPs)** for execution across the states of Madhya Pradesh, Telangana and Gujrat as on December 31, 2023. We believe that the growth in our **Water Supply Projects (WSPs)** Order Book is on account of our continued focus on **Water Supply Projects (WSPs)**, our technical capabilities, timely performance, and the emphasis on high quality, financial strength and prudent bids. Over the years, our company has gained experience for execution of **Water Supply Projects (WSPs)** and has developed the financial strength and managerial capabilities, thereby motivating us to venture into new segments like railways, roads and various other segments.

### 3. End-to-end execution capabilities

We believe that our execution capabilities, comprising strong in-house operations consisting of design, engineering, procurement, construction, and quality assurance teams, are a critical factor that have contributed to the growth story of our company. Our track record in construction of projects has been instrumental in our consistent sales and performance. Our construction management team ensures efficient and rapid construction and completion of our projects. Additionally, our quality assurance team ensures the quality construction of our projects, and our procurement team works with vendors who have the scale to deliver and meet our requirements to procure construction materials and equipment. We place significant emphasis on cost management and rigorously monitor our projects to ensure that they are completed within committed timelines and budgeted amounts. As a result of our end-to-end execution capabilities and in-house resources, we are able to complete our projects at competitive cost as well as create value for future projects through our efficient supply chain, which enables us to benefit from economies of scale.

### 4. Optimal Utilization of Resources

Our company constantly endeavours to improve our execution process, capabilities, skill upgrading of employees, and modernization of plant and machineries to optimize the utilization of resources. We regularly analyse our material procurement policy and project execution process to identify and eliminate bottlenecks and take corrective measures for smooth and efficient working thereby putting resources to optimal use.

### 5. Long-standing relationships with our customers

We believe that our reputation for completing projects in a timely manner and our focus on quality has helped us build strong relationships with our customers. We have completed or are currently undertaking projects for a number of reputed clients.

## BUSINESS STRATEGY

### 1. Continue to enhance our project execution capabilities

We intend to continue our focus in enhancing project execution capabilities so as to derive twin benefits of client satisfaction and improvements in operating margins. We will constantly endeavour to leverage our operating skills through our equipment and project management tools to increase productivity and maximize asset utilization in our ongoing projects. We believe that we have developed a reputation for undertaking challenging projects and completing such projects in a timely manner. We intend to continue our focus on performance and project execution ability in order to maximize our operating margins. To facilitate efficient and cost-effective decision making, we intend to

continue to strengthen our internal systems. Our ability to effectively manage projects will be crucial to our continued success.

## 2. Leveraging our market skills and relationship

The business of our Company is customer oriented and always strives to maintain good relationship with the marketers. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our employees give importance to customers. We aim to do this by leveraging our operations expertise as well as marketing skills and our industry relationships.

## 3. Maintaining edge over competitors

We intend to continue to enhance and scale our existing executional capabilities to deliver best quality construction to our clients. By enhancing our executional capabilities, we intend to maintain edge over our competitors. In order to maintain our competitive edge, we will continue to add best construction equipment, skilled labours and good quality materials.

## 4. Expand our geographical footprint.

We intend to expand our geographical footprint and grow our business by increasing orders from outside of Gujarat. To control diversification risks, we may at first, limit our expansion to other states to undertaking projects first in the areas where our core competencies lie. Through an increasingly diversified portfolio, we hope to broaden our revenue base and also hedge against risks in specific areas or projects and protect ourselves from fluctuations resulting from business concentration in limited geographical areas. With our increased experience and success, however, our rate of expansion may increase in terms of increases in the number of new states and projects we undertake. Till now substantial portion of our revenue from operations is from State of Gujarat. We believe that geographical diversification of our projects will reduce our reliance on our home state of Gujarat and allow us to capitalise on different growth trends in different states across the country. Further, we believe that as the reputed customers that comprise our existing client base continue to expand their geographical reach, our long-standing relationships will provide us with opportunities to undertake projects for such customers pan India.

## BUSINESS PROCESS

We undertake projects on (Engineering, Procurement, Construction) (EPC) basis, with or without operation and maintenance services (“O&M”). The scope of our services includes detailed engineering of the project, procurement of key materials, and project execution at the sites with overall project management up to the commissioning of these projects. In addition, we also undertake operation and maintenance of projects in accordance with our contractual arrangements. Our employee resources and fleet of equipment, together with our engineering capabilities, enable us to execute a range of projects on turnkey basis.

The Process flow of our business operations is described below:

### ➤ **Project Identification and Bid Preparation:**

The work begins by identifying potential water infrastructure projects through various means, including government announcements, public tenders, or direct invitations from government agencies.

They assess the feasibility of each project based on factors such as budget, scope, timeline, technical requirements, and potential risks.

The Company prepares a bid in response to the government's request for proposals (RFPs) or invitations to tender (ITT), which includes detailed information about their proposed approach, technical specifications, cost estimates, and any other relevant documentation required by the tendering process.

### ➤ **Contract Award:**

After submitting a bid, the government or relevant authorities evaluate the proposals based on predefined criteria, such as technical capability, price, and compliance with regulatory requirements.

The contract is awarded to the bidder whose proposal best meets the evaluation criteria, and negotiations may then occur to finalize the terms and conditions, scope of work, timeline, and budget.

Once the contract is signed, the company may be required to provide performance bonds or other forms of financial security to guarantee their commitment to the project.

### ➤ **Procurement of Materials:**

The Company identifies the specific materials required for the project based on the approved design and specifications.

They procure materials from approved suppliers or through competitive bidding processes, ensuring compliance with quality standards and regulatory requirements.

The Company may establish supply chain management processes to track inventory, manage orders, and coordinate deliveries to the construction site in accordance with the project timeline.

➤ **Project Planning and Design:**

The Company develops detailed plans and designs for the water infrastructure project, which may include site surveys, engineering drawings, and technical specifications.

They work with architects, engineers, and other stakeholders to optimize the design and address any technical challenges or regulatory constraints.

The design phase also involves obtaining necessary permits, approvals, and environmental assessments from relevant authorities to ensure compliance with legal and regulatory requirements.

➤ **Site Preparation:**

Before commencing construction, the Company prepares the construction site by clearing vegetation, removing obstacles, and levelling the terrain as needed.

They establish temporary facilities such as access roads, construction offices, and storage areas to support the construction activities.

Site preparation also includes implementing erosion control measures and ensuring compliance with health and safety regulations to protect workers and the environment.

➤ **Pipe Laying and Joining:**

The Company begins the construction phase by excavating trenches along the designated route for laying the pipes.

They install the pipes according to the approved design and alignment, ensuring proper depth, slope, and spacing between joints.

Various techniques are used to join the pipes securely, including welding, fusion bonding, threading, or using mechanical couplings and fittings.

Quality control measures are implemented throughout the installation process to verify the integrity of the pipes and joints and prevent defects or leaks.

➤ **Commissioning and Testing:**

Once the pipes are laid and joined, the company conducts comprehensive testing and commissioning activities to ensure the system functions as intended.

Pressure testing is performed to verify the structural integrity of the pipelines and identify any leaks or defects.

Water quality testing is conducted to ensure compliance with regulatory standards and assess the suitability of the water for public consumption.

The company also tests the operation of ancillary infrastructure such as pumping stations, valves, and control systems to ensure they function properly and meet performance requirements.

➤ **Installation of Ancillary Infrastructure:**

In addition to laying pipes, the company installs ancillary infrastructure such as pumping stations, control valves, meters, and distribution networks to facilitate the efficient distribution of water to the general public.

These components are installed according to the approved design and specifications, with careful attention to integration, alignment, and operational efficiency.

The company may also implement monitoring and control systems to optimize the operation of the water infrastructure and minimize energy consumption and maintenance costs.

➤ **Final Inspection and Handover:**

After completing construction and commissioning activities, the Company conducts a final inspection to verify that all work complies with the contract requirements, regulatory standards, and approved plans.

Any deficiencies or discrepancies are identified and rectified before formal acceptance and handover of the project to the client or relevant authorities.

The Company provides documentation such as as-built drawings, operation and maintenance manuals, and warranty information to support the ongoing management and maintenance of the water infrastructure system.

➤ **Maintenance and Support:**

Depending on the terms of the contract, the Company may provide ongoing maintenance and support services to ensure the long-term performance and reliability of the water infrastructure system.

It may involve routine maintenance tasks such as inspections, repairs, and replacements of components, as well as emergency response services in the event of failures or disruptions.

The Company may also provide training and technical assistance to the client's staff to ensure they are equipped to operate and maintain the water infrastructure effectively.

## OUR SERVICES

Our Engineering Procurement and Construction (EPC) operations are broadly divided into the following segments:

- **Water Pipeline Construction -**

This rapidly growing sector encounters a lot of trouble while supplying water in terms of efficiency, safety, timely water supply, drainage, and management due to increasing demand. We have executed numerous water supply projects in several cities and rural areas of India. We promote sustainable water management which is an important step toward managing scarce resources. We provide solutions for water supply-related problems. With our smart infrastructure and management, we have contributed towards conserving depleted resources through a reduction in wastage, leakage, and pilferage. Our project design maintains the performance of the drinking water network, and the quality of distributed water, and effectively manages, protects, and preserves the water assets. With interlinking of rivers government is trying to distribute surface water to the furthest areas of the country from rivers. With various pipeline and regional water supply schemes the water is supplied to the various districts of the countries. We are one of the key players in the country in bulk pipelines and RWSS projects. Service of water pipeline construction consist of around 85% of our total services.

- **Irrigation Projects**

Micro irrigation system is useful in optimizing the yield of crops (Justify the slogan 'Per Drop More Crop') and minimize the losses which are inevitable in conventional system. Micro irrigation is the slow application of continuous drips, bubbler, subsurface or sprays of water above or below the soil surface. This system is most suitable for water scarce areas and in hilly terrains where ground is uneven and undulating. Besides, it helps reduce water consumption, growth of unwanted plants (weeds), soil erosion and cost of cultivation. Service of irrigation consist of around 5% of our total services.

- **Road Construction**

Presently V.L.Infraprojects Limited is executing small sub-contracting works in Road projects like road shoulder bund preparation, small bridges and RCC road works only. Service of road construction consist of around 5% of our total services.

- **Building Construction**

We are doing private building works as sub-contractor. In that we mainly execute the Earth work, RCC works and brick masonry works for Office buildings and residential apartments. Service of building construction consist of around 5% of our total services.

## SWOT ANALYSIS

### Strength

Experienced Promoter

Qualified Team

Good relation with existing clients

Quality Services

### Weakness

Dependency on Suppliers for raw material

Capital Intensive Business

### Opportunities

One of the Emerging Market

Government Incentives

### Threats

Price Volatility on raw material

Change in government policies

**PROJECTS- COMPLETED AND ON GOING**
**MAJOR COMPLETED PROJECTS**

Sr. No	Client	Description of the Works	Value of Project (₹ In Lakhs)	Year of Completion
1	Greenmark Properties	Construction of Road, drain and Retaining wall works like PCC, RCC works in the building Project.	1,158.32	2022-23
2	GKC Projects Limited	Earth work excavation for pipe line and at various head works and miscellaneous works	1,110.58	2023-24
3	Vineeth Constructions	Sewerage and water supply project projects civil works and earth work excavations of various orders.	931.82	2020-21
4	GKC Projects Limited	Earth work excavation and shoulder preparation with side slope for Road project	879.75	2021-22
5	Ardhinusa Drilling Pvt Ltd	Excavation, Laying, jointing, back filling and testing and commissioning of 8 inch dia MS pipe line for Gas supply to Morbi industrial area of Gujarat Gas Ltd.	577.51	2017-18
6	GWSSB - Bhal Pradesh	Construction of ESR, under ground sump, Pump house with pumping machinery and HDPE pipe line work and miscellaneous DI Pipe line work with testing and commissioning of the whole system	531.42	2018-19
7	GMK Constructions	Earth work excavation and bund preparation for the Dindi irrigation project	482.38	2018-19
8	GKC Projects Limited	Construction of Road, drain and Retaining wall works like PCC, RCC works in the building Project.	465.64	2020-21
9	Tanisha Infra Projects	Earth work excavation and shoulder preparation with side slope for Road project	439.26	2021-22
10	GKC Projects Limited	Sewerage and water supply project projects civil works and earth work excavations of various orders.	345.55	2020-21
11	Krishna Construction Company	Laying, jointing and testing commissioning of 800mm dia MS Pipe line work of Raw Water supply project	285.67	2016-17



Sr. No	Client	Description of the Works	Value of Project (₹ In Lakhs)	Year of Completion
12	Jaiprakash Associates Limited	Guniting and internal painting, Excavation and laying of MS Pipe line of various diameters for Banda Lift Irrigation pipe line project, Madhya Pradesh	269.40	2020-21
13	GKC Projects Limited	Earth work excavation and shoulder preparation with side slope for Road project	268.99	2019-20
14	Krishna Construction Company	Laying, jointing and testing commissioning of 1200mm dia MS Pipe line work of Raw Water supply project	263.92	2020-21
15	Naandi Infratech Pvt Ltd	Construction of Road, drain and Retaining wall works like PCC, RCC works in the building Project.	241.69	2022-23
16	KSR Infrastructures LLP	Earth work excavation and shoulder preparation with side slope for Road project	218.71	2021-22
17	Sindhanur Gangavthi Tollway Pvt Ltd	Maintenace of and Cleaning & Grabbing Toll Road Project	208.66	2022-23
18	SVR Electro Projects Pvt Ltd	Electrical work Civil foundation work like PCC, RCC ETC	188.76	2020-21
19	R D S Constructions Company	Sewerage and water supply project projects civil works and earth work excavations of various orders.	181.70	2021-22
20	GKC Projects Limited	Earth work excavation for pipe line and at various head works and miscellaneous works	177.69	2018-19
21	Ardhinusa Drilling Pvt Ltd	Excavation, Laying, jointing, back filling and testing and commissioning of 8 inch dia MS pipe line for Gas supply to Ceramic industrial area Morbi of Gujarat Gas Ltd.	175.55	2017-18
22	Vishnu Prakash R Pungalia Ltd	Sewerage and water supply project projects civil works and earth work excavations of various orders.	162.40	2022-23
23	Manikanta Construction Company	Earth Leveling and Construction of Compound wall	134.66	2022-23
24	Vishwa Infrastructures & Services Pvt Ltd	Sewerage and water supply project projects civil works and earth work excavations of various orders.	132.07	2020-21

Sr. No	Client	Description of the Works	Value of Project (₹ In Lakhs)	Year of Completion
25	Sri Chaitanya Education Committee	Repairing, painting of building works	121.05	2015-16
26	Sadbhav Engineering Limited	Earth work excavation and shoulder preparation with side slope for Road project	114.58	2021-22
27	SMC Infrastructures Pvt Ltd	Sewerage and water supply project projects civil works and earth work excavations of various orders.	109.06	2020-21
28	GKC Projects Limited	Earth work excavation and shoulder preparation with side slope for Road project	105.71	2018-19
29	Vishwa Infrastructures & Services Pvt Ltd	Earth work, PCC and concrete work repairing and reinstatement of bund work with all miscellaneous works for Virangam branch canal	103.73	2019-20
30	KSR Infrastructures LLP	Earth Leveling and Construction of Compound wall	100.20	2022-23
<b>Total</b>			<b>10,486.43</b>	

#### ON GOING PROJECTS OF OUR COMPANY

Sr. No	Client	Description of the Works	Value of Project (₹ in Lakhs)	Revenue booked as on March 31, 2024 (₹ in Lakhs)	Date of Commencement
1	Nagarapalika Parishad Dhanpuri/ KCC-VLIL (JV), Dhanpuri Project	Providing Laying, jointing & Commissioning of DI K-9/DI K-7 class Pipe for Raw/Clear water pumping/Feeder main. Construction of Treatment Plant clear water sump well and Clear water pump house and overhead tanks & distribution network and House service connection and HT Feeder complete.	2,183.00	1,923.62	August 10, 2016
2	Nagarapalika Parishad, Kurwai Project	Providing Laying, jointing & Commissioning of Pipe for Raw/Clear water pumping/Feeder main. Construction of Treatment Plant clear water sump well and Clear water pump house and overhead tanks & distribution network and House service connection and HT Feeder complete.	916.00	861.31	October 13, 2016

Sr. No	Client	Description of the Works	Value of Project (₹ in Lakhs)	Revenue booked as on March 31, 2024 (₹ in Lakhs)	Date of Commencement
3	Nagarapalika Parishad, Sirmour Project	Providing Laying, jointing & Commissioning of Pipe for Raw/Clear water pumping/Feeder main. Construction of Treatment Plant clear water sump well and Clear water pump house and overhead tanks & distribution network and House service connection and HT Feeder complete.	1,330.00	1,164.28	January 24, 2017
4	Nagarapalika Parishad, Pali Project	Providing Laying, jointing & Commissioning of Pipe for Raw/Clear water pumping/Feeder main. Construction of Treatment Plant clear water sump well and Clear water pump house and overhead tanks & distribution network and House service connection and HT Feeder complete.	1,520.00	1,237.54	March 10, 2017
5	Public Health Engineering Division, Ashta & Anupur Projects	Asta water supply project, Sehore, MP	325.02	190.48	December 1, 2020
6	Gujarat Water Supply and Sewerage Board/HMEL-VLIL (JV) Kudasan Project	Water supply works in ESR, Sumps and DI,PVC Pipe lines with pumping stations	2,521.02	2,116.45	May 23, 2022
7	Gujarat Water Supply and Sewerage Board, Barwala Project	Augmentation of Barwala Saat Juth RWSS PHASE 2	2,433.68	1,382.52	August 1, 2022
8	Gujarat Water Supply and Sewerage Board/VLIL-HMEL (JV) Jalundra Project	Design , Build, construction of Water Treatment Plant 16.50 MLD at Jalundra HW, Providing, Supplying, Lowering, Laying, Jointing and commissioning of 168.3 mm to 508 mm Dia M.S Pipe,300 mm to 450 mm Dia DI K-7 and 90 mm to 315 mm Dia PVC 6kg/cm2 Pipeline network and SITC of various HSCF/VT Pumps, Panel board electrification With ancillary works at Different HWs and SHWs, various size R.C.C. U/G Sump, R.C.C. ESR, Pump house, Compound Wall with 3 months Trial run and 5 Years of O&M.	4,858.79	1,720.33	December 1, 2022

Sr. No	Client	Description of the Works	Value of Project (₹ in Lakhs)	Revenue booked as on March 31, 2024 (₹ in Lakhs)	Date of Commencement
9	Gujarat Water Supply and Sewerage Board / SUPN-VLIL (JV), Dhanduka Project	“Design, Build and Operate contract for, Providing, Supplying, Lowering, Laying, 400 mm dia DI Pipeline pipli HW to Fedra HW, and various dia PVC Pipeline and Design and Construction of 100 Lac litre UG raw water Sump. 5 Lac litre ESR and Pumphouse at Pipli, Kotda, Fedra and Jaliya HW and UG Sump at Village level with Pipeline Pumproom and Pumping Machinery and necessary connection work with Post Completion Operation and Maintanance for 3 years under Jal Jeevan Mission of Seven RWSS Dhandhuka G	2,035.90	1,613.44	May 22, 2022
10	Gujarat Water Supply and Sewerage Board / SUPN-VLIL (JV), Sheela Project	Design, build and operate Head regulator on Dholka branch canal, Raw Water Pumping Mains, sump with pump house, dismantling of existing structure at Shela offtake, providing supplying & installation of pumping machinery & Electro-Mechanical Components including Operation & Maintenance of All type Civil & Mechanical Structures, Machineries & Pipeline including 1 month trail run & 5 Yrs. operation and maintenance under Dholka group Part-2, A-2 Package-1, Regional Water supply Scheme, Taluka : Sanand & Dholka District :- Ahmedabad.	4,667.79	3,706.32	July 13, 2023
11	Gujarat Water Supply and Sewerage Board / SUPN-VLIL (JV), Dholka Project	Design & Construction of Various Sizes of RCC Sumps & RCC ESR, water treatment plant including providing, supplying, lowering laying and jointing of DI & PVC pipeline for Rising main/ Gravity distribution pipeline network including providing, supplying, erecting and testing Pumping Machineries at Main HW & Sub HW & Village Level Pumping Stations, RCC Road, Staff quarter, Compound Wall, Electrification work and other headwork development works at Main HW & Sub HW and Operation & Maintenance of All type Civil & Mechanical Structures, Machineries & Pipeline Network for 5 Yrs. for A2 Augmentation Regional Water Supply Scheme based on Dholka branch canal : Part-II (Dholka group) : Package 2	1,855.42	991.89	July 13, 2023

Sr. No	Client	Description of the Works	Value of Project (₹ in Lakhs)	Revenue booked as on March 31, 2024 (₹ in Lakhs)	Date of Commencement
12	Gujarat Water Supply and Sewerage Board, Kudasani Missing link Project	Kudasani water supply missing link pipe line and civil works balance completion	192.37	53.87	July 18, 2023
13	Naandi Infratech Pvt Ltd	Construction of Villas, Road, drains and Retaining wall works like PCC, RCC works in the Residential building Project.	932.86	349.43	November 30, 2023
14	Gujarat Water Supply and Sewerage Board / HMEL-VLIL (JV), Televa Project	Design & Construction of Various Sizes RCC Sumps & RACESR, providing, supplying, lowering laying and jointing of DI& PVC pipeline for Rising main/ Gravity distribution pipeline network including providing, supplying, erecting and testing Pumping Machineries at Main HW & Sub HW & Village Level Pumping Stations, RCC Road, Staff quarter, Compound Wall, Electrification work and other headwork development works at Main HW & Sub HW and Operation & Maintenance of All type Civil & Mechanical Structures, Machineries & Pipeline Network for 10 Yrs. for A2 Augmentation Regional Water Supply Scheme based on Dholka branch canal : Part-I (Telav group) : Package 1 , Taluka : Bavla & Sanand District :- Ahmedabad TENDER ID -10132.	6,983.60	473.57	March 19, 2024

Sr. No	Client	Description of the Works	Value of Project (₹ in Lakhs)	Revenue booked as on March 31, 2024 (₹ in Lakhs)	Date of Commencement
15	Ranjit Buildcon Limited, Surat Metrorail Project	Constructions of 10.559 Km Elevated Viaduct and 11 Nos Stations from Bheshan Dead end to Majura Gate Station including Viaduct Ramp to Depot Entry Near Bheshan for Surat Metro Rail Project Phase- 1 Corridor -2 (Package-I)	1,125.50	100.21	April 05, 2024
<b>Total</b>			<b>33,880.95</b>	<b>17,885.26</b>	

*Source: As certified by Srinivasa Rao K & Co. Chartered Accountants pursuant to their certificate dated July 13, 2024 having UDIN: 24230175BKBDVA6290.*



## PLANT AND MACHINERIES

List of equipment used for construction of projects as at March 31, 2024;

Particulars	Count of Item Name	Owned/ Leased
Dewatering Pump	2	Owned
Cube Test Machine	2	Owned
Cube Test Machine & Test Sieve Brass	1	Owned
Steel Rod Cutter Machine	1	Owned
Vibrator	3	Owned
Hydraulic Welding jack	1	Owned
Steel Rod Cutter Machine	1	Owned
De-water Pump	1	Owned
De-water Pump Lubi Submersible	1	Owned
Lubi Water Pump (2 HP ) & Engine Air Cooled 8 HP	1	Owned
Lubi Water Pump (2 HP ) & Nut & Bolt	1	Owned
Batching Plant M1	1	Owned
Dewatering Pump	1	Owned
Portable Drainage pump	2	Owned
KBL Submercible pump	1	Owned
Chlorinator	1	Owned
10 HP Pump	1	Owned

Source: Based on Certificate issued by our Statutory auditor dated July 12, 2024 having UDIN: 24224674BKEQYI2755.

## COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

## OUR AWARDS

Company has bagged award of “Fastest Growing Indian Company Excellence Award” in 10th International Achievers Summit held in Bangkok-Thailand in the year 2018.

## MARKETING & DISTRIBUTION

The Sales and Marketing Operations are overseen by the Chairman and Managing Director & CEO, Mr. Rajagopal Annam Reddy, who brings over 20 years of extensive experience in the construction industry to his role. Throughout his career, he has held positions as a planning engineer, project manager, AGM (BD), and General Manager (BD&P) in various companies, contributing to a wealth of knowledge and a professional network. Mr. Rajagopal Annam Reddy's reputation and industry connections have been instrumental in positioning the company as a formidable contender in the construction sector. Additionally, the company boasts significant qualifications for tendering projects and has established strategic joint venture partnerships to tackle specialized and large-scale projects.

## END USERS

We are integrated civil construction company offering a diversified range of construction and allied services across water infrastructure projects, irrigation projects, road construction and building construction.

## COMPETITION

We operate in a highly competitive market and there are large numbers of players. We operate in the competitive environment; quality of service and price are the main factor for client in making decision to have our services. We may face competition from our peers who have similar one or more division of our business. Competition emerges not only from small but also from big Regional and National and International players. Our experience in this business has enabled us to provide quality work in response to customer's demand for best quality. Moreover, there are minimal entry barriers in this industry and any expansion in capacity of existing producers would further intensify competition.

## HEALTH, SAFETY & ENVIRONMENT

The health and safety of our employees is very important to us. We have established various measures in order to eliminate and reduce the risk of workplace accidents at our facilities and properties. Our operations are subject to various environmental, health and safety laws and regulations in each of the jurisdictions in which we operate.

The requirements govern, among other things, employee health and safety, energy conservation, waste disposal and air emissions. We incur expenditures to maintain compliance with current and future environmental, health and safety laws and regulations, including obtaining appropriate operating permits, licenses and approvals that are necessary for our business operations. We believe that our operations are currently in material compliance with all environmental, health and safety laws, regulations and permits which we are subject to. We monitor and assess compliance issues in connection with our operations, and undertake other safety orientation training to create awareness and promote a safe working environment.

## RAW MATERIAL

The Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment's (pumping machinery) for distribution of water supply from the river to household. We also provide operations & maintenance services for water distribution pipelines.

For the purpose of raw material, we procure PVC/MS Pipes and other material such as cement, steel, pipes, valves, sand, ready-mix and other hardware items from domestic sources only.

## TECHNOLOGY

We use information technology systems to enhance our performance and efficiency. We use third party software as ERP 9 Tally Accounting Software for Accounting Record Keeping. We believe that this system allows us to streamline our processes while enhancing our monitoring and control functions.

## COLLABORATIONS

We currently do not have any technical or other collaboration however, our Company, from time to time, enters into certain joint ventures for the purpose of bidding and execution of projects. For further information on our Joint Ventures, please see "Our Business- Joint Ventures" on beginning of page 115.

## UTILITIES AND WATER

### POWER

We have made necessary arrangements for regular uninterrupted power supply at our registered Office from Uttar Gujarat Vij Company Limited. Our clients arrange the power supply for respective construction sites.

### WATER

The water consumption at our registered office is normal which we can fulfil from water supply in the Office Building. For our construction site water is sources from bore or is supplied by local water suppliers in the area of site.

## HUMAN RESOURCES

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth.

As on March 31, 2024 we have the total 30 Employees.

Bifurcation of employees is provided below:

Sr. No.	Category of Employees	Department	No. of Employees
1.	Director & KMPs	Executive	4
2.	Engineers	Engineering	10
3.	Accounts & Finance Department	Finance	5
4.	Project Manager	Project Management	4
5.	Supervisor	Operations	3
6.	Pump Operators		4
	<b>Total</b>		<b>30</b>


Further as on the date of the Red Herring Prospectus, our company employs the services of contractual labour as per our business needs. However, no formal agreements are entered between the company and the labour contractor.

## EXPORTS & EXPORTS OBLIGATIONS

As on the date of this Red Herring Prospectus, entire revenue from operations is generated from Domestic means only. Further, as on the date of this Red Herring Prospectus, we do not have exports obligations, under the terms of Export Promotion Capital Goods (EPCG) Scheme.

## INTELLECTUAL PROPERTIES

**Following are the details of the Trademarks Registered in the name of our company, in India:**

Sr. No.	Brand Name/Logo Trademark	Class	Trademark Type	Registration / Application No.	Date of Application	Current Status
1.	 We too In Nation Building	42	Device	5443044	May 11, 2022	Registered

### Domain Name

Sr. No.	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name	Creation Date	Registry Expiry Date
1.	<a href="http://www.vlil.in">www.vlil.in</a>	D8979698-IN	M/s. V.L.Infraprojects Private Limited	December 02, 2014	December 02, 2024

## CAPACITY AND CAPACITY UTILIZATION

Our company is engaged in the service sector therefore capacity and capacity utilisation data are not applicable to us.

## IMMOVABLE PROPERTY

The details of the Immovable property owned by our company is given here below:

Sr. No.	Name of Seller	Address	Purpose	Area (Square feet)	Consideration (in ₹)	Date of Acquisition
1.	M/s Shivalik Satyamev, Partnership Firm	716, 7 <sup>th</sup> Floor, Shivalik Satyamev, Bopal, Ahmedabad-380058, Gujarat, India,	Registered Office	973.28 Sq. feet	₹ 6916000/-	July 20, 2018
2.	Smt. Neelima Vanguru	Plot no. 122, Survey No .218/4 & 218/5, admeasuring 256.67 Square Yards or equivalent to 214.609 Square Meters, situated at Central Park, Phase-2, of Kondapur Village, Ranga Reddy District Telangana-500084.	Office Building	2310.03 Sq. feet	₹ 6853100/-	October 05, 2023
3.	Shrinath Adhesive Products Private Limited	Plot no. 29, having plot area admeasuring 373 Sq. Yards i.e. 311.87 sq. mtrs. (including undivided land of road etc.) in the scheme known as "DEV-94" situated on Block No.189+190+191+192+194/A. of Mouje-Ghuma, Taluka Ghatlodia, Bopal, Ahmedabad - (9).	Guest House	3356.94 Sq. feet	₹ 5500000/-	December 01, 2023

The Details of the Immovable properties taken on lease / rent basis are given below:

Sr. No.	Name of Lessor	Name of Lessee	Address of Property	Usage Purpose	Area (Sq. Ft)	Rent (in ₹)	Tenure
1.	M/s. GMK Constructions	V.L.Infraprojects Private Limited	Flat No. CO-06, First Floor, Block C, The Indu Fortune Field, The Annexe, KPHB Colony, Phase-13, Hyderabad-500085	Regional Office	1276	₹ 51,800/- per month.	From: July 01, 2023 to June 30, 2025
2.	Mr. Suryapratap Singh	V.L.Infraprojects Private Limited	Word No. 1, College Colony, Dhanpuri Village, Shahdol District, Madhya Pradesh	Regional Office	NA	₹ 8,000/- per month.	From: October 19, 2023 to September 18, 2024

## INSURANCE

Presently, our company has following Insurance Policies:

Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Period of Insurance	Details	Sum assured (in ₹)	Premium Paid (in ₹)
1.	Cholamandalam MS General Insurance Company Limited	2234/00103662/000 /00	V.L.Infraprojects Limited	From: March 20, 2024 to September 19, 2024	Water Supply Installations Including Pump House	5,00,00,000	36,580/- (For 6 months)
2.	Cholamandalam MS General Insurance Company Limited	2234/00103666/000 /00	V.L.Infraprojects Limited	From: March 20, 2024 to September 19, 2024	Water Supply Installations Including Pump House	5,00,00,000	36,580/- (for 6 months)
3.	ICICI Lombard General Insurance Company Limited	5006/304261292/00 /000	The Spunpipe and Construction Company Private Limited (Baroda), (J V), VLInfra Projects Private Limited Ahmedabad	From: July 13, 2023 to January 12, 2025	Operation and Maintenance Off All Type Civil and Mechanical Structures Machinerries and Pipe Line	5,00,00,000	1,04,135/- (18 months including 2 month of Testing Period )
4.	Reliance General Insurance Company Limited	1624623221200146 35	V.L.Infraprojects Private Limited	From: March 31, 2023 to March 30, 2025	Construction of water treatment plant 16.50 MLD at Jalundra HW	5,00,00,000	47,218/- (for 24 months including 1 Months Testing Period)
5.	The New India Assurance Company Limited	3114003623010000 0010	V.L.Infraprojects Private Limited	From: August 02, 2023 to August 01, 2024	Skilled and Unskilled Workers at Nagarpalika Parishad Rewa, Madhya Pradesh- 486001	4 Skilled Workers 6 Unskilled Worker (Monthly wages upto ₹ 15000)	11,788/- p.a.
6.	The New India Assurance Company Limited	3114003623010000 0009	V.L.Infraprojects Private Limited	From: August 02, 2023 to August 01, 2024	Skilled and Unskilled Workers at Nagarpalika Parishad Pali, Madhya Pradesh- 486001	4 Skilled Workers 6 Unskilled Worker (Monthly wages upto ₹ 15000)	11,788/- p.a.

## DETAILS OF INDEBTEDNESS

The details of facilities availed from Banks are as follows. For more details of other indebtedness please refer **“Restated Financials Information”** beginning from page no. 182 of Red Herring Prospectus.

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
<b>Secured Loans</b>								
1.	AU Small Finance Bank Limited	Motor Vehicle (Hypothecation)  (Construction Equipment)	29.00	26.01	10.00%	The loan amount, interest and other charges thereon shall be repaid by the Borrower in installment as per the repayment schedule specified. Notwithstanding the same, the Bank may at anytime, without the provision of any reason therefore, require repayment of the loan amount, interest and other charges thereon forthwith on demand and may appropriate all the amounts available with the Bank towards these amounts, interest and other computation/fixation of installments shall be without prejudice to the right of the delivery of the Asset/s. The	The Borrower hereby expressly and irrevocably agrees to the covenants that during the period of this Agreement, the Borrower shall keep the Hypothecated Asset specifically appropriated to the security herein pay all rates, assessments taxes, and other outgoings which are now or hereafter may be assessed, imposed, or payable for the Hypothecated Asset by the Government, municipal corporation, Registration Authority or other authority and on demand produce to the Bank every receipt thereof, charges, taxes, assessments or other outgoings	Allow inspection of the Hypothecated Asset and all documents relating thereto for verification thereof or making valuation by (a) the Bank (b) its officers, auditors, technical experts, management consultants, valuers or any other persons authorised for the purpose by the Bank. Not sell, encumber, transfer or otherwise dispose of or suffer or allow to suffer any attachment (including installation of (LPG/CNG Kit) or distress to the Hypothecated Asset or any parts thereof



Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
						<p>repayment shall commence as per the repayment scheme irrespective of the delivery of the Asset/s. Strict compliance with the repayment scheme is an essential condition for the grant of the loan. The Borrower shall repay the loan, interest and other charges by way of installments, the number of which is mentioned in the Schedule and of amount(s) also mentioned in the Schedule. Out of these installment, the number of installments as mentioned in the Schedule are payable prior to the disbursal of the Loan ("Advance EM/Installment). The balance number of installment as mentioned in the Schedule are each payable at the period or as specified in the Schedule hereunder written by delivering to</p>		<p>or allow anything that may prejudice or endanger the security herein without the express consent in writing of the Bank. The Borrower undertakes to get the Registration Certificate endorsed in the name of the Bank (if applicable under Motor Vehicles Act), to further express the fact that the Asset stands hypothecated to the Bank. Any direct or indirect transfer of the Asset would be deemed to be criminal/breach of trust and a case of cheating entitling the Bank to file pursue FIR a Criminal complaint against the Borrower and Guarantor(s) without prejudice to the Bank's other right and remedies in law.</p>

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
						<p>the Bank, the cheques, in advance, duly signed. The first of the balance installment shall be due on the date mentioned in the schedule, or after such other period as specified by the Bank from time to time. The number of cheque and the amounts of installments are as mentioned at the Schedule with date corresponding with the day when each of the above installments is payable, each in favour of the Bank (the said cheques are hereinafter referred to as Post Dated Repayment Cheques" or "PDC").</p>		<p>The said Hypothecation of Assets are in the custody of the Borrower in its capacity as bailees.</p>
2.	AU Small Finance Bank Limited	Motor Vehicle (Hypothecation)  (Construction Equipment)	27.70	21.07	9.00%	<p>The loan amount, interest and other charges thereon shall be repaid by the Borrower in installment as per the repayment schedule specified hereunder. Notwithstanding the same, the Bank may at</p>	<p>In consideration of the Bank having granted or agreed to grant to the Borrower the Loan subject to the terms and conditions mentioned herein, the Borrower hereby hypothecates / mortgages/pledges / assigns to and charges in favour of the Bank by way of first and exclusive charge on the Assets described in the Schedule hereunder including the assets of the Borrower given as security. The Borrower confirms that the Asset(s) carries no prior lien and it is free</p>	

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
						<p>anytime, without the provision of any reason therefore, require repayment of the loan amount, Interest and other charges thereon forthwith on demand and may appropriate all the amounts available with the Bank towards these amounts, interest and other computation/fixation of installments shall be without prejudice to the right of the delivery of the Asset/s. The repayment shall commence as per the repayment scheme irrespective of the delivery of the Asset/s. Strict compliance with the repayment scheme is an essential condition for the grant of the loan. The Borrower shall repay the loan, interest and other charges by way of instalments, the number of which is mentioned in the Schedule hereunder</p>	<p>from any encumbrances. Provided that if the Asset (to be acquired) has not been delivered to and/or registered (wherever applicable) in the name of the Borrower at the time of signing of this Agreement, the particulars of the Asset shall be informed in writing by the Borrower or the Borrower may direct the dealer to supply the same within two days of such delivery and/or registration, whereupon such writing shall form part of the schedule and this agreement hereof:</p> <p>That the Bank is not responsible for delivery of duly endorsed Registration Certificate and that the Borrower shall not withhold payment of stipulated installments on the pretext that Registration Certificate has not been delivered.</p> <p>The Borrower and/or the Guarantor(s) hereby expressly and irrevocably agree that they shall be estopped in law from taking the plea that on the date the Loan agreement was signed the exact details of the Asset were not available.</p> <p>The Borrower undertakes to get the endorsement to hypothecation done in the registration certificate from the concerned Registration Authority (wherever applicable). The endorsement shall be made in the name of AU SMALL FINANCE BANK LIMITED, The Borrower(s) where the Borrower(s) or any of them is a Company undertakes to get the charge registered with the relevant Registrar of</p>	

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
						<p>written and of amount(s) also mentioned in the Schedule. Out of these installment, the number of installments as mentioned in the Schedule hereunder written are payable prior to the disbursal of the Loan ("Advance EMI/Installment"). The balance number of installment as mentioned in the Schedule are each payable at the period or as specified in the Schedule hereunder written by delivering to the Bank, the cheques, in advance, duly signed. The first of the balance installments shall be due on the date mentioned in the schedule, or after such other period as specified by the Bank from time to time. The number of cheque and the amounts of installment/s are as mentioned at the Schedule with date corresponding with the</p>	<p>Companies (ROC) in a manner acceptable to the Bank.</p>	

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
						day when each of the above installments is payable, each in favour of the Bank (the said cheques are hereinafter referred to as " Post Dated Repayment Cheques" or "PDC").		
3.	State Bank of India	<p>A. Fund Based Limits (FBL)</p> <p>1. Cash Credit (CC)</p> <p>2. GECL 1 Extension Working Capital Term Loan</p> <p>B. Non-Fund Based Limits (NFBL): Bank Guarantee (BG):</p>	<p>1,000.00</p> <p>54.72</p> <p>940.00</p>	<p>992.27</p> <p>30.40</p> <p>714.16</p>	<p>11.15% (EBLR + 2.00%)</p> <p>9.25%</p> <p>1.80%</p>	<p>-</p> <p>36 monthly installments of ₹ 1.52 lakhs each after a moratorium of 24 months.</p> <p>-</p>	<p>1. Hypothecation of Stock, Book: Debts other and all current assets of the firm.</p> <p>The additional Working Capital Term Loan (WCTL) facility (Guaranteed Emergency Credit Line (GECL) Under Emergency Credit Line Guarantee Scheme (ECLGS)) shall rank pari passu with the existing facilities, in respect underlying credit in of security as well as cash flows for repayment.</p>	<p>Personal Guarantee of:</p> <p>1. A Mydhili Reddy 2. Rajagopal Reddy 3. Hansa Chaudhary 4. Meenaben Chaudhary</p> <p>GECL loan under ECLGS would be guaranteed by Government of India.</p> <p>Government of through Ministry India of Finance, Department of Financial Services has introduced the 'Emergency Credit Line Guarantee Scheme (ECLGS)</p>

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
								<p>for providing 100% guarantee coverage for additional working capital term loans to be provided by the Banks under the Scheme. The Fund and the scheme will be managed and operated by National Guarantee Credit Trustee Company Limited (NCGTC), which is a wholly owned trustee company of Government of India. National Credit Guarantee Trustee Company Ltd (NCGTC) shall provide 100% Guarantee coverage the outstanding amount for the credit facility provided under the scheme.</p> <p>Immovable Property:</p> <p>1. Residential Building bearing Survey Number:</p>



Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
								<p>block no. 6P., 7P., &amp; 12 P, situated at 80, Baleshwar Upwan Bunglows, Ghuma, Ahmedabad (in the name of A Mydhili Reddy &amp; Rajagopal Reddy)</p> <p>2. Flat No-C-301, Iscon Flower, Ghuma, Ahmedabad-380058 (in the name of Rajagopal Reddy &amp; A Mydhili Reddy)</p> <p>3. Office No. 312 on 3<sup>rd</sup> floor admeasuring about 30.38 sq mts together with undivided share in the land admeasuring about 17.67 sq mtrs in the scheme known as Sobo Centre situtated on Freehold Non-Agricultural Commercial land bearing Block No. 473/A/2, 473/A/3,</p>

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
								<p>473/B, Town Planning Scheme No. 3, Final Plot No. 170/1, Sub Plot No. 1 situated, lying and being at village Bopal, Taluka Dascroi of Registration District Ahmedabad of Sub-District Ahmedabad-9 (Bopal), Ahmedabad-380058 (in the name of A Mydhill Reddy).</p> <p>4. Commercial Building bearing Survey Number: Land Bearing Block No 340, 347 and 397/A of TP Scheme No. 52 And FP No. 68/3+74+120/2 situated at Scheme known as office No. 716 Shivalik Sataymev at Mouje Ambali Taluka Ghatlodia, Ahmedabad-380058, Gujarat, (Urban)</p>

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
								<p>Admeasuring Total Area: 90.42 Sq Mtr (in the name of V.L.Infraprojects Private Limited)</p> <p>5. Commercial Building bearing Survey Number: 454/1 Sub Plot No. 1,2,3,4,5,7,8,10,11,12 TP Scheme No. 50 and FP No. 347, situated at Flat No. C/61 lying and bearing at Mouje Bodekdev, Taluka Ghatlodia, Dist. Sub District Ahmedabad-3 Memnagar, Bodakdev, Guajrat-380054,</p> <p>Admeasuring Total Area: 221.57 sq mtr (in the name of Meenaben Shaileshkumar Chaudhary)</p> <p>6. All that the Entire first floor, in the building named as "Sri Lakshmi</p>

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
								<p>Nilayam", with total saleable area of 1750 Sq. ft., (including common area), and 10 Sq. ft. in Stilt Floor for car parking, along with undivided share of land admeasuring 64.58 Sq. Yards, (out of total land admeasuring 258.33 Sq. Yards), constructed on Plot no. 148, in category-II (MIG), of Miyapur HUDA Residential complex in Sy. Nis. 20 &amp; 28/1, situated at Miyapur Village, Serilingampally Mandai, Ranga Reddy District, Telangana, 500084, : 1750 sq ft ,( in the name of R. Nageswara rao)</p> <p>7. All that the Entire fourth floor, in the</p>

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
								<p>building named as "Sri Lakshmi Nilayam", with total saleable area of 1750 Sq. ft., (including common area), and 10 Sq. ft. in Stilt Floor for car parking, along with undivided share of land admeasuring 64.58 Sq. Yards, (out of total land admeasuring 258.33 Sq. Yards), constructed on Plot no. 148, in category-II (MIG), of Miyapur HUDA Residential complex in Sy. Nis. 20 &amp; 28/1, situated at Miyapur Village, Serilingampally Mandai, Ranga Reddy District, Telangana, 500084, 1750 sq ft ,( in the name of R. Nageswara rao).</p>

Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
4.	Punjab National Bank	Vehicle Loan	26.00	25.53	8.80	84 months	TATA Safari	Collateral: Nil  Guarantor: Mrs Mydhili Rajagopal Reddy
<b>Unsecured loans</b>								
1.	HDFC Bank Limited	Business Loan	50.00	27.67	15.00%	48 Monthly Installments of ₹ 1.39 lakhs	Nil	Nil
2.	IDFC First Bank Ltd	Business Instalment Loan	51.00	31.30	16.00%	36 Monthly Installments of ₹ 1.79 lakhs	Nil	Nil
3.	Standard Chartered Bank	Emergency Credit Line Guarantee Scheme (ECLGS)	18.41	17.04	8.50%	60 Months first 24 months interest only, from 25 months onwards EMI consisting of principal and interest	Nil	Nil
4.	Standard Chartered Bank	Business Loan	90.00	78.21	15.50%	48 Monthly Installments of ₹ 2.53 lakhs	Nil	Nil
5.	Aditya Birla Finance Limited	Business Instalment Loan -	40.00	11.26	16.00%	37 Months	Nil	Nil



Sr. No.	Lender	Nature of Facility	Sanctioned Loan ₹ in Lakhs	Outstanding as on March 31, 2024 (₹ in Lakhs)	Rate of Interest/Margin as on March 31, 2024 (% per annum)	Repayment Terms/ Tenure	Security/ Principal terms and conditions	Collateral Security/ other Condition
		Overdraft Facility						
6.	Bajaj Finance Limited	Hybrid Flexi Loan	36.16	0.96	16.50%	60 Months including Initial Tenure of 24 months having EMI of ₹ 0.50 lakhs and Subsequent Tenure of 36 months having EMI of ₹ 1.28 lakhs	Nil	Nil
7.	L&T Finance Limited	Dropline OD	40.00	10.08	16.00%	36 Monthly Installments of ₹ 1.40 lakhs	Nil	Nil
8.	TATA Capital	Dropline Overdraft Loan	50.00	12.74	15.75%	48 Months	Nil	Nil
9.	Godrej Finance Ltd	Business Loan	25.00	25.00	17.00%	60 Months including 24 months of Interest only period and 36 months of Full Installment period	Nil	Nil
10.	OXYZO Financial Services Private Limited	Purchase Financing	225.00	227.04	15.00%	12 months	Nil	Nil
11.	Ratna Finance	Business Term Loan	100.00	100.00	13.00%	12 months	Nil	Nil

## HISTORY AND CORPORATE STRUCTURE

Our Company was originally incorporated as “V.L.Infraprojects Private Limited” as a private limited company under the provisions of the Companies Act, 2013 and received a certificate of incorporation dated December 19, 2014 from the Registrar of Companies, Gujarat. Later our Company was converted into a Public Limited Company pursuant to special resolution passed by our shareholders in the Extra-ordinary General Meeting of our Company held on August 22, 2023 and the name of our Company was changed to “V.L.Infraprojects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 01, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081602.

Located at Ahmedabad, Gujarat, our company was founded by our visionary Promoter Cum Chairman and Managing Director & CEO, Mr. Rajagopal Reddy Annam Reddy. Our company is benefited from the extensive experience of our Promoters, Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri, having experience of more than 45 (Forty-Five) years. Our Board of Directors, Key Managerial Personnel and Senior Management Personnel has also provided significant contribution in the growth of our company.

The company is a Government Approved Contractor in “AA” Class with the Government of Gujarat, Civil/Electrical Contractor License from Karnataka State Public Works department, Special class registration in Government of Telangana and contractor registration in Government of Madhya Pradesh. The company provides designing, construction, and commissioning of various types of government projects especially in water infrastructure and irrigation segment.

The Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment’s (pumping machinery) for distribution of water supply from the river to household. We also provide operations & maintenance services for water distribution pipelines.

Our company began its operations focusing on water pipeline projects in Gujarat. We have since expanded our services to encompass all aspects of road construction, irrigation, water infrastructure, and environmental projects. We have locational presence in the state of Madhya Pradesh, Telangana, Maharashtra, and Gujarat. We are committed to maintaining the highest standards, the same is evident by the ISO 9001:2015 certification for quality management, ISO 14001:2015 certification for environmental management, and ISO 45001:2018 certification for occupational health and safety management systems.

### REGISTERED OFFICE:

Registered Office of the Company is presently situated at 716, Shivalik Satyamev, Near Vakil Saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India. The Registered office of our Company has been changed once since incorporation, details of which are given hereunder:

Date of Change of Registered office	Registered Office		Reason
On Incorporation	C-1, 301 ISCON Flower, Near Lalgebi Ashram, Ghuma, Ahmedabad - 380058, Gujarat, India.		Not Applicable
	Changed From	Changed to	
July 25, 2020	C-1, 301 ISCON Flower, Near Lalgebi Ashram, Ghuma, Ahmedabad - 380058, Gujarat, India.	716, Shivalik Satyamev, Near Vakil Saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India	Administrative Convenience

### KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

For Details of key awards, certifications, accreditations and recognition please refer to Chapter titled “Business Overview” beginning from page no. 115 of the Red Herring Prospectus.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

#### NAME CLAUSE

The Following changes have been made in Name Clause of our company since its inceptions.

Date of Approval of Shareholders	Particulars	Reason
----------------------------------	-------------	--------

On Incorporation	“V.L.Infraprojects Private Limited”	Not Applicable
August 21, 2023	The name of our company changed from “V.L.Infraprojects Private Limited” to “V.L.Infraprojects Limited.”	Business Expansion, planning to come up with an Initial Public Offer and conversion from private limited to public limited

### **AUTHORIZED CAPITAL**

The following changes have been made in the Authorized Capital of our Company since inception:

<b>Date of Amendment</b>	<b>Particulars</b>
On Incorporation	Authorized Capital of ₹ 1.00 Lakhs divided into 10000 (ten Thousand) Equity Shares of ₹ 10/- each.
July 02, 2015	The Authorised Share capital was increased from ₹ 1.00 Lakhs divided into 10000 (Ten Thousand) equity shares of ₹ 10/- each to ₹ 50.00 Lakhs divided into 500000 (Five Lakhs) Equity Shares of ₹10/- each.
November 25, 2017	The Authorised Share capital was increased from ₹ 50.00 Lakhs divided into 500000 (Five Lakhs) Equity Shares of ₹10/- each to ₹ 100.00 Lakhs consisting of 1000000 (Ten Lakhs) Equity Shares each of ₹ 10/-each.
June 30, 2020	The Authorised Share capital was increased from ₹ 100.00 Lakhs divided into 1000000 (Ten Lakhs) Equity Shares of ₹10/- each to ₹ 300.00 Lakhs consisting of 3000000 (Thirty Lakhs) Equity Shares each of ₹ 10/-each.
March 13, 2023	The Authorised Share capital was increased from ₹ 300.00 Lakhs divided into 3000000 (Thirty Lakhs) Equity Shares of ₹10/- each to ₹ 685.00 Lakhs consisting of 6850000 (Sixty-Eight Lakhs Fifty Thousand) Equity Shares each of ₹ 10/-each.
March 20, 2023	The Authorised Share capital was increased from ₹ 685.00 Lakhs divided into 6850000 (Sixty-Eight Lakhs Fifty Thousand) Equity Shares of ₹10/- each to ₹ 753.50 Lakhs consisting of 7535000 (Seventy-Five Lakhs Thirty-Five Thousand) Equity Shares each of ₹ 10/-each.
October 23, 2023	The Authorised Share capital was increased from ₹ 753.50 Lakhs divided into 7535000 (Seventy-Five Lakhs Thirty-Five Thousand) Equity Shares of ₹10/- each to ₹ 1700.00 Lakhs consisting of 17000000 (One Crore Seventeen Lakhs) Equity Shares each of ₹ 10/-each.

### **MAJOR EVENTS**

There are no major events in the company since its incorporation except as mentioned below.

<b>Year</b>	<b>Key Events/Milestone/ Achievement</b>
2014-15	Our Company was incorporated as a private limited company under the name “V.L.Infraprojects Private Limited”
2023-24	Completed Revenue Milestone of ₹ 5,000.00 Lakhs
2023-24	Our Company was converted into Public Limited Company under the name of “V.L.Infraprojects Limited”

### **OTHER DETAILS REGARDING OUR COMPANY**

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled “*Business Overview*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page no. 115, 102 and 184 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoter, please refer to sections titled “*Our Management*” and “*Capital Structure*” beginning on page nos. 162 and 61 respectively of this Red Herring Prospectus.

### **RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT**

For details regarding our capital raising activities through equity or debt, please see the section entitled “*Capital Structure*” and “*Restated Financial Information*” on page nos. 61 and 182 respectively of this Red Herring Prospectus.

### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY**

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

## SUBSIDIARIES/HOLDINGS AND JOINT VENTURES OF THE COMPANY

Our Company has entered into Joint Venture agreements, which are operational in nature. For details of Joint Ventures, please refer to heading titled “*Other Agreements*” hereinbelow in this chapter.

## INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Red Herring Prospectus.

## MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section “*Our management*” on Page no. 162 of this Red Herring Prospectus.

## MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS

There has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking in last ten years.

## TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Red Herring Prospectus, the total numbers of equity shareholders are 7 (Seven). For more details on the shareholding of the members, please see the section titled “*Capital Structure*” at page no. 61 of this Red Herring Prospectus.

## MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

*To carry on activities of contractor, owner, developers of infrastructural projects, dams, canals, bridges, highways, irrigation projects, airports, railways, tramways, water tanks, reservoirs, marine structures, residential, commercials and industrial buildings, water supply projects, sewer projects, storm water pipeline, excavation, removal of overburden earth moving, mining activities, development of Special Economic Zones (“SEZ”) for electric, pharmaceuticals, multi products, information technology, industries, agricultural industries, power project, electric projects, design of structure and any type of civil constructions, repairing, renovation, removal and reinstate business etc. Individually or jointly with any private party or government, local or other bodies, the business to construct, build, alter, acquire, convert, Improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, Install, finish, repair, maintain, search, survey, examine, taste, Inspect, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist, and to act as civil engineer, interior decorator, consultant advisor, financier, agent, broker, supervisor, administrate, contractor, subcontractor, turn-key contractor and manager of all types of electrical, mechanical, construction and developmental work.*

## SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on the date of filing this Red Herring Prospectus.

## OTHER AGREEMENTS

Except as disclosed below, as on the date of this Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Red Herring Prospectus.

### Joint Ventures (“JV”)

We execute our projects independently and we have entered into joint venture arrangements with other infrastructure and construction entities. When a project requires specific eligibility requirements relating to experience and financial resources, we enter into Joint Venture arrangements which are operational in nature with other infrastructure and construction entities. The details of our Joint Ventures are as follows:

#### Joint Ventures - On-going projects:

##### 1. V.L.Infraprojects Private Limited, Ahmedabad (J.V.) H.M. Electro mech Limited Ahmedabad:

Our Company has formed a joint venture in the name of ‘V.L.Infraprojects Private Limited, Ahmedabad (J.V.) H.M. Electro Mech Limited Ahmedabad’ by entering into a joint venture agreement dated November 08, 2022 with H.M. Electro Mech Limited. The Joint Venture has undertaken the project to Design, Build, construction of Water Treatment Plant 16.50 MLD

at Jalundra HW, Providing, Supplying, Lowering, Laying, Jointing and commissioning of 168.3 mm to 508 mm Dia M.S Pipe, 300 mm to 450 mm Dia DI K-7 and 90 mm to 315 mm Dia PVC 6kg/cm<sup>2</sup> Pipeline network and SITC of various HSCF/VT Pumps, Panel board electrification With ancillary works at Different HWs and SHWs, various size R.C.C. U/G Sump, R.C.C. ESR, Pump house, Compound Wall with 3 months Trial run and 5 Years of O and M of All type Civil and Electro-Mechanical work (all New and Existing structures/work) in Augmentation of G-2 RWSS Jalundra Group under Jal Jeevan Mission, Taluka. Gandhinagar & Dehgam, Dist. Gandhinagar (Tender ID: 558398). The Joint Venture is structured with V.L.Infraprojects Private Limited having a 60% stake, and H.M. Electro Mech Limited having a 40% stake. This joint venture agreement does not constitute a permanent partnership between the two companies. V.L.Infraprojects Private Limited is the leading company responsible for the joint venture. V.L.Infraprojects Private Limited and H.M. Electro Mech Limited have entered into a Joint Venture for the specific purpose of design, build, construction, of water treatment plant 16.50 MLD at Jalundra HW (Tender ID : 558398).

## **2. H.M. Electro Mech Limited Ahmedabad J.V. V.L.Infraprojects Limited, Ahmedabad**

Our Company has formed a joint venture in the name of 'H.M. Electro Mech Limited Ahmedabad J.V. VL Infraprojects Limited, Ahmedabad' by entering into a joint venture agreement dated November 01, 2023 with H.M. Electromech Ltd. The JV has undertaken the project to Design & Construction of Various Sizes RCC Sumps & RCC ESR, providing, supplying, lowering laying and jointing of DI & PVC pipeline for Rising main/ Gravity distribution pipeline network including providing, supplying, erecting and testing Pumping Machineries at Main HW & Sub HW & Village Level Pumping Stations, RCC Road, Staff quarter, Compound Wall, Electrification work and other headwork development works at Main HW & Sub HW and Operation & Maintenance of All type Civil & Mechanical Structures, Machineries & Pipeline Network for 10 Yrs. for A2 Augmentation Regional Water Supply Scheme based on Dholka branch canal: Part-I (Telav group): Package 1, Taluka: Bavla & Sanand Dist:- Ahmedabad (Tender ID:-10132). The Joint Venture is structured with H.M. Electro Mech Limited having a 60% stake and V.L.Infraprojects Private Limited having a 40% stake. This joint venture agreement does not constitute a permanent partnership between the two companies. H.M. Electro Mech Limited is the leading company responsible for the joint venture. V.L.Infraprojects Private Limited and H.M. Electro Mech Limited have entered into a Joint Venture for the specific purpose of Design & Construction of various sizes RCC Sumps & RCC ESR : Telav Group (Package 1) (Tender ID : 10132).

## **3. H.M. Electro Mech Limited Ahmedabad (J.V.) V.L.Infraprojects Private Limited, Ahmedabad**

Our Company has formed a joint venture in the name of 'H.M. Electro Mech Limited Ahmedabad (J.V.) V.L.Infraprojects Private Limited, Ahmedabad' by entering into a joint venture agreement dated December 20, 2021 with HM Electro Mech Limited. The Joint Venture has undertaken the project to Design, Build, Trial Run Contract for construction of RCC U/G Sump, Pump Room & Providing, Supplying, Lowering, Laying & Jointing DI & PVC Pipeline network (Rising Main & Distribution Gravity main) & Supply, Installation, Testing & Commissioning of HSCF/VT Pumps With Associated Mechanical and Electrical Equipment's, Instruments & Accessories at R.C.C. Sump, pump house electrification work etc. including Operation & Maintenance of All type Civil & Mechanical Structures, Machineries & Pipeline Network for 5 Yrs. Of Kudasán Group (Villages of G-2) RWSS & Water Supply Scheme in TP-1,2,3,20,21 of GMC/GUDA Area Ta. & Dist. Gandhinagar" ID: 492563.

The Joint Venture is structured with H.M. Electro Mech Limited having a 80% stake and V.L.Infraprojects Private Limited having a 20% stake. This joint venture agreement does not constitute a permanent partnership between the two companies. H.M. Electro Mech Limited is the leading company responsible for the joint venture. V.L.Infraprojects Private Limited and H.M. Electro Mech Limited have entered into a Joint Venture for the specific purpose of Design, Build, Trial Run Contract for construction of RCC U/G Sump, Pump Room & Providing : Kudasán Group (Villages of G-2) (Tender ID: 492563).

## **4. The Spunpipe and Construction Company (Baroda) Private Limited (JV) V.L.Infraprojects Private Limited.**

Our Company has formed a joint venture in the name of 'The Spunpipe and Construction Company (Baroda) Private Limited, Baroda (JV) V.L. Infraprojects Private Limited' by entering into a joint venture agreement dated April 22, 2023 with The Spunpipe and Construction Company (Baroda) Private Limited. The JV has undertaken the project Design & Construction of Various Sizes of RCC Sumps & RCC ESR, water treatment plant including providing, supplying, lowering laying and jointing of DI & PVC pipeline for Rising main/ Gravity distribution pipeline network including providing, supplying, erecting and testing Pumping Machineries at Main HW & Sub HW & Village Level Pumping Stations, RCC Road, Staff quarter, Compound Wall, Electrification work and other headwork development works at Main HW & Sub HW and Operation & Maintenance of All type Civil & Mechanical Structures, Machineries & Pipeline including 3-month Trial run & 5 Yrs. operation and maintenance under Augmentation of A-2 RWSS Part-2 (Dholka group), Package-2, Taluka Sanad, Dholaka and Daskroi of District Ahmedabad." (Tender ID:-583109). The Joint Venture is structured with The Spunpipe and Construction Company (Baroda) Private Limited having a 74% stake and V.L.Infraprojects Limited having a 26% stake. This joint venture agreement does not constitute a permanent partnership between the two companies. The Spunpipe and Construction Company (Baroda) Private Limited is the leading company responsible for the joint venture. The Spunpipe and Construction Company (Baroda) Private Limited and V.L.Infraproject Private Limited have entered into



a Joint Venture for the specific purpose of Design & Construction of Various Sizes of RCC Sumps & RCC ESR, water treatment plant, RWSS Part-2 (Dholka group) (Tender ID: 583109).

#### **5. The Spunpipe and Construction Company (Baroda) Private Limited (JV) V.L.Infraprojects Private Limited.**

Our Company has formed a joint venture in the name of 'The Spunpipe and Construction Company (Baroda) Private Limited, Baroda (JV) V.L. Infraprojects Private Limited' by entering into a joint venture agreement dated February 17, 2022 with The Spunpipe and Construction Company (Baroda) Private Limited. The JV has undertaken the project to Design, build and operate contract for, providing, supplying, lowering, laying 400 mm dia DI Pipeline pipli HW to Fedra HW, and various dia PVC Pipe line and Design and Construction of 100 Lac liter UG raw water Sump. 5 Lac litre ESR and Pumphouse at Pipli, Kotda, Fedra and Jaliya HW and UG Sump at Village level with Pipeline Pump room and Pumping Machinery and necessary connection work with Post Completion Operation and Maintanance for 3 years under Jal Jeevan Mission of Seven RWSS Dhandhuka Group Dist. Ahmedabad (Tender ID: 503719). This joint venture agreement does not constitute a permanent partnership between the two companies. The Joint Venture is structured with The Spunpipe and Construction Company (Baroda) Private Limited having a 60% stake and V.L.Infraprojects Limited having a 40% stake. This joint venture agreement does not constitute a permanent partnership between the two companies. The Spunpipe and Construction Company (Baroda) Private Limited is the leading company responsible for the joint venture. The Spunpipe and Construction Company (Baroda) Private Limited and V.L.Infraproject Private Limited have entered into a Joint Venture for the specific purpose of Design & Construction of Various Sizes of RCC Sumps & RCC ESR, water treatment plant, RWSS Dhandhuka Group (Tender ID: 503719).

#### **6. The Spunpipe and Construction Company (Baroda) Private Limited (JV) V.L.Infraprojects Private Limited.**

Our Company has formed a joint venture in the name of 'The Spunpipe and Construction Company (Baroda) Private Limited, Baroda (JV) V.L.Infraprojects Private Limited' by entering into a joint venture agreement dated April 04, 2023 with Spunpipe and Construction Company (Baroda) Private Limited. The JV has undertaken the project Design, build and operate Head regulator on Dholka branch canal, Raw Water Pumping Mains, sump with pump house, dismantling of existing structure at Shela offtake, providing supplying & installation of pumping machinery & Electro-Mechanical Components including Operation & Maintenance of All type Civil & Mechanical Structures, Machineries & Pipeline including 1 month trial run & 5 Yrs. operation and maintenance under Augmentation of A-2, RWSS Part-2 (Dholka group) Package-1, Taluka Sanand & Dholka District :- Ahmedabad. (Tender ID-581882). This joint venture agreement does not constitute a permanent partnership between the two companies. The Joint Venture is structured with The Spunpipe and Construction Company (Baroda) Private Limited having a 60% stake and V.L.Infraprojects Limited having a 40% stake. The Spunpipe and Construction Company (Baroda) Private Limited is the leading company responsible for the joint venture. The Spunpipe and Construction Company (Baroda) Private Limited and V.L.Infraprojects Private Limited have entered into a Joint Venture for the specific purpose of Design, build and operate Head regulator on Dholka branch canal, Raw Water Pumping Mains, sump with pump house, RWSS Part-2 (Dholka group) Package-1 (Tender ID: 581882).

#### **7. Krishna Construction Co., Partnership Firm (JV) V.L.Infraprojects Private Limited.**

Our Company has formed a joint venture in the name of 'Krishna Construction Co, Partnership Firm (JV) V.L. Infraprojects Private Limited' by entering into a joint venture agreement dated June 29, 2016 with Krishna Construction Co, Partnership Firm. The JV has undertaken the project Design, Construction, Commissioning & performance of Intake wen 6.00 m dia. & 12.00 m high with Raw water pump house and approach bridge. The work shall include Supply, Installation & Commissioning of Raw water & Clear water Pumps with necessary substation. Providing Laying, jointing & Commissioning of DI K - 9 / DI K - 7 class Pipe for Raw/Clear water pumping/Feeder main. Construction of Treatment Plant clear water sump well and Clear water pump house and overhead tanks & distribution network and House service connection and HT Feeder complete. Water supply scheme of Municipal Council Dhanpuri, Dist,- Shadhol". NIT Number. 416:/E-TENDER of 2016-2017. This joint venture agreement does not constitute a permanent partnership between the two companies. The Joint Venture is structured with Krishna Construction Co. having a 65% stake and V.L.Infraprojects Private Limited having a 35% stake. Krishna Construction Co. is the leading firm responsible for the joint venture. Krishna Construction Co. and V.L.Infraprojects Private Limited have entered into a Joint Venture for the specific purpose of Design, Construction, Commissioning & performance of Intake wen 6.00 m dia. & 12.00 m high with Raw water pump house and approach bridge, Water supply scheme of Municipal Council Dhanpuri

### **COLLABORATION AGREEMENTS**

Our Company has not entered into any collaboration agreement as on the date of this Red Herring Prospectus.

### **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Red Herring Prospectus.

### **FINANCIAL PARTNERS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Red Herring Prospectus.



## KEY INDUSTRY REGULATIONS

*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 206 of this 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 the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by 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 31<sup>st</sup> 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 administered 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.

### **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 are 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 vide 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. All exports and imports made up to 31.03.2023 shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

#### **Policy for development of Natural Gas Pipelines and City or Local Natural Gas Distribution Networks (the “Pipeline Policy”)**

The Pipeline Policy was notified on December 20, 2006. The Pipeline Policy provides that it may be read in conjunction with the provisions of the PNGRB Act and the rules and regulations framed thereunder. The objective of the Pipeline Policy is to facilitate open access for all players to the pipeline network on a non-discriminatory basis and promote competition among entities thereby avoiding any abuse of the dominant position by any entity. The Pipeline Policy applies to non-dedicated pipelines and not to dedicated pipelines. The latter have been defined as pipelines laid to supply gas to specific consumers originating from regulated pipelines provided the same are for their own use and not for resale. No non-dedicated gas pipeline or city or local gas distribution network may be laid, built, operated or expanded without authorization by the PNG Regulatory Board. If a company ‘s pipelines come within the definition of dedicated pipelines, it is required to furnish certain details to the PNG Regulatory Board every six months. In case any such pipeline ceases to be a dedicated pipeline in future, the same may be brought to the notice of the PNG Regulatory Board and will require authorization to be granted by the PNG Regulatory Board under the provisions of the PNGRB Act. The Pipeline Policy envisages constitution of a Gas Advisory Body for giving advice to the Central Government and promotes and develops the gas pipeline.

#### **Accommodation of Public and Industrial Utility Services along and across National Highways- Policy regarding guidelines**

The policy regarding Accommodation of Public and Industrial Utility along and across National Highway was introduced for the purpose of laying utilities service along and/or across the Right of Way (“RoW”). Utility Services along the National Highways should be laid in utility corridor located at appropriate location preferably as close to the extreme edge of RoW. The policy provides that the pipelines for utilities shall cross the National Highways only through structures or conduits built specially for this purpose. The utility service shall cross the National highway preferably on a line normal to it or as nearly so as applicable. The casing /conduit pipe should, as minimum, extend from drain to drain in cuts and toe of slope to toe of slopes in the fills and shall be designed in accordance with the provision of Indian Road Congress and executed following the specifications of the Ministry.

#### **Guidelines on pipeline crossing under railway tracks**

The guidelines on pipeline crossing under railway tracks was introduced for the purpose of conveying inflammable substances like petroleum, oil or gas. Pipeline included under this category are those installed to carry oil, gas, petrol or other inflammable or highly volatile substances under pressure, or any substance, which form its nature or pressure might cause damage if escaping on, or in the vicinity of railway property. Pipeline crossing should not be located in close vicinity of existing bridges, buildings and other type of structures and should be minimum 14m away from these.

#### **ASME B31.8, 1999 (“ASME B31.8”)**

ASME B31.8 relates to gas transmission and distribution piping systems. This code covers the design, fabrication, installation, inspection and testing of pipeline facilities used for the transportation of gas. This code also covers safety aspects of the operation and maintenance of those facilities.

#### **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 National Building Code, 2016**

The National Building Code of India, 2016 (NBC), comprehensive building Code, is a national instrument providing guidelines for regulating the building construction activities across the country. It serves as a Model Code for adoption by all agencies involved in building construction works, Public Works Departments, other government construction departments, local bodies or private construction agencies. The Code mainly contains administrative regulations, development control rules and general building requirements, fire safety requirements, stipulations regarding materials, structural design and construction (including safety, building and plumbing services; approach to sustainability; and asset and facility management).

### **The Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996 (“BOCW Act”)**

The BOCW Act provides for regulation of employment and conditions of service of buildings and construction workers as also their safety, health and welfare measures. The BOCW Act applies to every establishment which employs or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work. The BOCW Act lays down the duties and responsibilities of employers and employees undertaking any operation or work related to or incidental to building or other construction work.

### **Buildings and Other Construction Workers’ Welfare Cess Act, 1996 (“BOCW Cess Act”) and the rules framed thereunder**

The BOCW Cess Act provides for the levy and collection of a cess on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers’ Welfare Boards constituted under the BOCW Cess Act. A prescribed quantum of the construction cost incurred by the employer is required to be deposited by the employer as welfare cess under the BOCW Cess Act.

### **Guidelines for Implementation of Scheme of National Projects (“NP Scheme”)**

The NP scheme has been approved by the Government of India with a view to expedite completion of identified national projects for the benefit of the people. The identified national projects will be provided financial assistance by the Government of India in form of Central grant which will be 90% of the estimated cost of such projects for their completion in time bound manner.

## **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.

### **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 from the 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.

### **The Public Liability Insurance Act, 1991 (the “PLI Act”) and the Public Liability Insurance Rules, 1991 (the “PLI Rules”)**

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the PLI Act, the owner or handler is also required to take out an insurance policy insuring against liability. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The PLI Rules mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

## **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.

### **Designs Act, 2000**

The Designs Act, 2000 along with the Design Rules, 2001 (“Design Laws”) govern design protection in India. The Design Laws were enacted to protect new or original designs from getting misappropriated. A design can only be registered under one specific class. The registered proprietor of the design shall have a copyright in the design for ten years which is extendable for another five years. The Design Laws permit the proprietor to file a suit for recovery of damage and as well as an injunction in the event of piracy of a registered design.

## **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 section of the Code has 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 laborers 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
- The Payment of Wages Act, 1936 (“PW Act”)
- Public Liability Insurance Act, 1991 (“PLI Act”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (“Child Labour Prohibition Act”)
- 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
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,

### **OTHER GENERAL REGULATIONS**

#### **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.

#### **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, and Indian Easements Act, 1882.



## OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). As on the date of this Red Herring Prospectus, Our Company currently has 6 (Six) directors on our Board, of which 3 (Three) Directors are Executive directors and rest of the 3 (Three) Directors are Independent Director.

Mr. Rajagopal Reddy Annam Reddy	- Chairman, Managing Director and Chief Executive Officer
Mrs. Mydhili Rajagopal Reddy	- Whole-Time Director
Mr. Nageswara Rao Repuri	- Whole-Time Director and Chief Financial Officer
Mr. Mallikarjuna Katta	- Independent Director
Mr. Kamleshkumar Kantilal Wakharia	- Independent Director
Mr. Venkata Rama Krishna Akella	- Independent Director

The Following table sets forth details regarding the Board of Directors as on the date of this Red Herring Prospectus.

Mr. Rajagopal Reddy Annam Reddy	
Father's Name	Mr. Sundara Rami Reddy
DIN	07039573
Date of Birth	March 08, 1975
Age	49 Years
Designation	Chairman, Managing Director and Chief Executive Officer
Status	Executive
Qualification	He has completed Bachelor of Engineering (mechanical) from Sri Venkateswara University in the year 1998 and Master Program in Business Administration (MBA) from Indian School of Business Management & Administration in the year 2009.
No. of Years of Experience	He is having more than 20 years of experience in the construction industry.
Address	80, Baleshwar Upvan, Bopal-ghuma Road, near HDFC Bank, (Ghuma Branch), Ghuma, Daskroi, Bopal, Ahmedabad, Gujarat - 380058
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as a Director of the Company since incorporation of the Company on December 19, 2014. Subsequently, he was appointed as Managing Director for a period of five years with effect from November 1, 2017, by special resolution passed by shareholders in their Extra-ordinary General Meeting held on November 25, 2017. He was re-appointed as Chairman and Managing Director, liable to retire by rotation for another period of five year with effect from November 01, 2023, by special resolution passed by shareholders in their Extra-ordinary General Meeting held on September 16, 2023. Additionally, he was appointed as a Chief Executive Officer with effect from September 13, 2023, by the Board of Directors of the Company in their board meeting held on September 13, 2023.
Term of Appointment and date of expiration of current term of office.	Currently, he holds the position of Chairman and Managing Director liable to retire by rotation for period of 5 (Five) years w.e.f. November 01, 2023. Additionally, he holds the position of Chief Executive Officer with effect from September 13, 2023.
Other Directorships	NIL

Mrs. Mydhili Rajagopal Reddy	
Father's Name	Mr. Krishna Reddy
DIN	07039579

<b>Mrs. Mydhili Rajagopal Reddy</b>	
Date of Birth	June 1, 1982
Age	41 years
Designation	Whole-Time Director
Status	Executive
Qualification	She has completed her degree on Bachelor of Commerce from Sri Venkateswara University in the year 2002.
No. of Years of Experience	She is having over 9 years of experience in the administration and human recourse (HR).
Address	80, Baleshwar Upvan, Bopal-ghuma Road, near HDFC Bank, (Ghuma Branch), Ghuma, Daskroi, Ahmedabad, Gujarat - 380058
Occupation	Business
Nationality	Indian
Date of Appointment	She was appointed as a Director of the Company since incorporation of the company i.e., December 19, 2014 and later she was appointed as Whole Time Director, w.e.f December 24, 2016. Further, she was reappointed as a Whole Time Director, liable to retire by rotation for a period of five years from July 05, 2021.
Term of Appointment and date of expiration of current term of office.	Currently she holds office for a period of 5 (Five) years, liable to retire by rotation. w.e.f. July 05, 2021.
Other Directorships	NIL

<b>Mr. Nageswara Rao Repuri</b>	
Father's Name	Mr. Pullaiah Repuri
DIN	09121019
Date of Birth	August 20, 1982
Age	41 Years
Designation	Whole-Time Director and Chief Financial Officer
Status	Executive
Qualification	He has completed his degree of Bachelor of Commerce from Andhra University in the year 2004.
No. of Years of Experience	He is having over 18 years of experience in the Accounting.
Address	Plot No. 116/E and F, Flat No. 302, Sri Kedarnath Residency, Mayuri Nagar Colony, Miyapur, Tirumalagiri, Hyderabad, Telangana-500049
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as an Additional Director of the Company by the Board of Directors in their Board Meeting held on February 21, 2021. Later, he was regularised as a Director on November 30, 2021. Subsequently, he was appointed as Whole Time Director, subject to liable to retire by rotation, for a period of five years with effect from July 03, 2023 by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on July 03, 2023. Additionally, he was appointed as a Chief Financial Officer with effect from September 13, 2023, by the Board of Directors of the Company in their board meeting held on September 13, 2023.
Term of Appointment and date of expiration of current term of office.	Currently, he holds the position of Whole Time Director subject to liable to retire by rotation for period of 5 (Five) years w.e.f. from July 03, 2023. Additionally, he holds the position of Chief Financial Officer with effect from September 13, 2023
Other Directorships	NIL

<b>Mr. Mallikarjuna Katta</b>	
Father's Name	Mr. Ramanjulu Katta
DIN	10212802
Date of Birth	July 01, 1973
Age	50 Years
Designation	Independent Director
Status	Non-Executive
Qualification	He holds the Degree of Chartered Accountant from The Institute of Chartered Accountant of India (ICAI) since 2009. He has completed her Bachelor of Commerce from Osmania University in the year 1993 and passed Limited Insolvency examination conducted by Insolvency and Bankruptcy Board of India (IBBI) for Insolvency Professionals in the year 2020.
No. of Years of Experience	He is having over 17 years of experience in the field of accounting.
Address	H. No. 6-5-29/107, Manasa Pride, Harithavanam Colony, Bachupally, Rangareddi, Andhra Pradesh-500090
Occupation	Service
Nationality	Indian
Date of Appointment	He was appointed as an Additional Director (Independent) of the Company by the Board of Directors in their board meeting held on June 19, 2023 with effect from June 24, 2023. Later, he was regularised as an Independent Director for a period of 5 (Five) years up to June 23, 2028 not liable to retire by rotation by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on September 16, 2023.
Term of Appointment and date of expiration of current term of office.	Currently, he holds the position of Independent Director, not liable to retire by rotation for period of 5 (Five) years up to June 23, 2028.
Other Directorships	NIL

<b>Mr. Kamleshkumar Kantilal Wakharia</b>	
Father's Name	Mr. Kantilal Dahyabhai Wakharia
DIN	10212799
Date of Birth	July 01, 1958
Age	65 Years
Designation	Independent Director
Status	Non-Executive
Qualification	He has completed his Bachelor of Engineering (Civil Engineer) from Nagpur University in the year 1983.
No. of Years of Experience	He is having more than 32 years of experience in the field of civil engineering.
Address	203, Shakuntal Apartment, B/H Drive in Cinema, Opp Sarthi-3, Thaltej, Ahmedabad City, Memnagar, Ahmedabad, Gujrat-380052
Occupation	Retired Executive Engineer
Nationality	Indian
Date of Appointment	He was appointed as an Additional Director (Independent) of the Company by the Board of Directors in their board meeting held on June 19, 2023 with effect from June 24, 2023. Later, he was regularised as an Independent Director for a period of 5 (Five) years up to June 23, 2028 not liable to retire by rotation by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on September 16, 2023.
Term of Appointment and date of expiration of current term of office.	Currently, he holds the position of Independent Director, not liable to retire by rotation for period of 5 (Five) years up to June 23, 2028.
Other Directorships	NIL

<b>Mr. Venkata Rama Krishna Akella</b>	
Father's Name	Mr. Malleswar Rao Akella
DIN	10212750
Date of Birth	January 01, 1961
Age	63 Years
Designation	Independent Director
Status	Non-Executive
Qualification	He has completed Bachelor of Commerce from Osmaia University in the year 1982. He also completed Bachelor of Law from Osmaia University in the year 1990.
No. of Years of Experience	He is having over 37 years of experience in the field of banking.
Address	5-153, RB Reddy Nagar Colony, Almasguda, K.V. Rangareddy Telangana-500058
Occupation	Retired Bank Employee
Nationality	Indian
Date of Appointment	He was appointed as an Additional Director (Independent) of the Company by the Board of Directors in their board meeting held on June 19, 2023 with effect from June 24, 2023. Later, he was regularised as an Independent Director for a period of 5 (Five) years up to June 23, 2028 not liable to retire by rotation by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on September 16, 2023.
Term of Appointment and date of expiration of current term of office.	Currently, he holds the position of Independent Director, not liable to retire by rotation for period of 5 (Five) years up to June 23, 2028.
Other Directorships	NIL

As on the date of the Red Herring Prospectus

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers
- B. None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Red Herring Prospectus.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **RELATIONSHIP BETWEEN THE DIRECTORS**

Except as disclosed below, there is no relationship between any of the Directors of our Company as on date of filling of Red Herring Prospectus:

<b>Name of Director</b>	<b>Designation</b>	<b>Relation</b>
Mr. Rajagopal Reddy Annam Reddy	Chairman and Managing Director & Chief Executive Officer	He is spouse of Mrs. Mydhili Rajagopal Reddy who is Whole-Time Director of the company.

#### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

## **SERVICE CONTRACTS**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

## **BORROWING POWERS OF THE BOARD OF DIRECTORS**

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on September 16, 2023 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 ₹100 Crores (Rupees One Hundred Crores only).

## **BRIEF PROFILE OF OUR DIRECTORS**

### **Mr. Rajagopal Reddy Annam Reddy**

Mr. Rajagopal Reddy Annam Reddy aged 49 years is the Promoter, Chairman and Managing Director of the Company. Additionally, he holds the position of Chief Executive Officer. He has completed Bachelor of Engineering (mechanical) from Sri Venkateswara University in the year 1998 and Master Program in Business Administration (MBA) from Indian School of Business Management and Administration in the year 2009. He is having more than 20 years of experience in the construction industry. He was appointed as a Director of the Company since incorporation of the Company on December 19, 2014. Subsequently, he was appointed as Managing Director for a period of five years with effect from November 01, 2017, by special resolution passed by shareholders in their Extra-ordinary General Meeting held on November 25, 2017. He was re-appointed as Chairman and Managing Director, liable to retire by rotation for another period of five year with effect from November 01, 2023, by special resolution passed by shareholders in their Extra-ordinary General Meeting held on September 16, 2023. Additionally, he was appointed as a Chief Executive Officer with effect from September 13, 2023, by the Board of Directors of the Company in their board meeting held on September 13, 2023.

### **Mrs. Mydhili Rajagopal Reddy**

Mrs. Mydhili Rajagopal Reddy aged 41 years is Whole Time Director of the company. She has completed her degree on Bachelor of Commerce from Sri Venkateswara University in the year 2002. She is having over 9 years of experience in the administration and human recourse (HR). She was appointed as a Director of the Company since incorporation of the company i.e., December 19, 2014 and later she was appointed as Whole Time Director, w.e.f December 24, 2016. Further, she was reappointed as a Whole Time Director, liable to retire by rotation for a period of five years from July 05, 2021.

### **Mr. Nageswara Rao Repuri**

Mr. Nageswara Rao Repuri aged 41 years is Whole Time Director of the company. Additionally, he holds the position of Chief Financial Officer. He has completed his degree of Bachelor of Commerce from Andhra University in the year 2004. He is having over 18 years of experience in the Accounting. He was appointed as an Additional Director of the Company by the Board of Directors in their Board Meeting held on February 21, 2021. Later, he was regularised as a Director on November 30, 2021. Subsequently, he was appointed as Whole Time Director, subject to liable to retire by rotation, for a period of five years with effect from July 03, 2023 by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on July 03, 2023. Additionally, he was appointed as a Chief Financial Officer with effect from September 13, 2023, by the Board of Directors of the Company in their board meeting held on September 13, 2023.

### **Mr. Mallikarjuna Katta**

Mr. Mallikarjuna Katta aged 50 years is an Independent Director of the company. He holds the Degree of Chartered Accountant from The Institute of Chartered Accountant of India (ICAI) since 2009. He has completed her Bachelor of Commerce from Osmania University in the year 1993 and passed Limited Insolvency examination conducted by Insolvency

and Bankruptcy Board of India (IBBI) for Insolvency Professionals in the year 2020. He is having over 17 years of experience in the field of accounting. He was appointed as an Additional Director (Independent) of the Company by the Board of Directors in their board meeting held on June 19, 2023 with effect from June 24, 2023. Later, he was regularised as an Independent Director for a period of 5 (Five) years up to June 23, 2028 not liable to retire by rotation by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on September 16, 2023.

**Mr. Kamleshkumar Kantilal Wakharia**

Mr. Kamleshkumar Kantilal Wakharia aged 65 years is an Independent Director of the company. He has completed Bachelor of Engineering (Civil Engineer) from Nagpur University in the year 1983. He is having more than 32 years of experience in the field of civil engineering. He was appointed as an Additional Director (Independent) of the Company by the Board of Directors in their board meeting held on June 19, 2023 with effect from June 24, 2023. Later, he was regularised as an Independent Director for a period of 5 (Five) years up to June 23, 2028 not liable to retire by rotation by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on September 16, 2023.

**Mr. Venkata Rama Krishna Akella**

Mr. Venkata Rama Krishna Akella aged 63 years is an Independent Director of the company. He has completed Bachelor of Commerce from Osmaia University in the year 1982. He also completed Bachelor of Law from Osmaia University in the year 1990. He is having over 37 years of experience in the field of banking. He was appointed as an Additional Director (Independent) of the Company by the Board of Directors in their board meeting held on June 19, 2023 with effect from June 24, 2023. Later, he was regularised as an Independent Director for a period of 5 (Five) years up to June 23, 2028 not liable to retire by rotation by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on September 16, 2023.

**COMPENSATION AND BENEFITS TO THE CHAIRMAN AND MANAGING DIRECTORS AND WHOLETIME DIRECTOR ARE AS FOLLOWS: -**

Name	Mr. Rajagopal Reddy Annam Reddy	Mrs. Mydhili Rajagopal Reddy	Mr. Nageswara Rao Repuri
Designation	Chairman and Managing Director & CEO	Whole Time Director	Whole Time Director and CFO
Date of Appointment/ Change in Designation	He was appointed as a Director of the Company since incorporation of the company i.e., December 19, 2014. and later he was appointed as Managing Director, for a period of five years w.e.f November 1, 2017. Further, he was reappointed as a Managing Director, liable to retire by rotation for a period of five years from November 1, 2023, by special resolution of shareholders in an Extra- ordinary General Meeting of the company held on September 16, 2023.	She was appointed as a Director of the Company since incorporation of the company i.e., December 19, 2014 and later she was appointed as Whole Time Director, w.e.f December 24, 2016. Further, she was reappointed as a Whole Time Director, liable to retire by rotation for a period of five years from July 05, 2021.	He was appointed as an Additional Director of the Company on February 21, 2021 and later he was regularised as Director on November 30, 2021. Subsequently he was appointed as Whole Time Director, liable to retire by rotation for a period of five years w.e.f July 3, 2023. by special resolution of shareholders in an Extra- ordinary General Meeting of the company held on July 3, 2023
Period	5 (Five) years w.e.f. November 1, 2023 and liable to retire by rotation.	5 (Five) years, liable to retire by rotation. w.e.f. July 05, 2021.	5 (Five) years w.e.f. July 3, 2023 and liable to retire by rotation.
Salary	Basic Salary upto Rs. 60.00 Lakhs per annum excluding perquisite.	Basic Salary upto Rs. 20.00 Lakhs per annum excluding perquisite.	Basic Salary upto Rs. 30.00 Lakhs per annum excluding perquisite.
Bonus	As per Company's Policies/Practices	As per Company's Policies/Practices	As per Company's Policies/Practices



Name	Mr. Rajagopal Reddy Annam Reddy	Mrs. Mydhili Rajagopal Reddy	Mr. Nageswara Rao Repuri
Perquisite/Benefits paid during the F.Y. 2023-24	₹ 5.59 Lakhs	₹ 1.43 Lakhs	₹ 2.14 Lakhs
Commission:	-	-	
Compensation/remuneration paid during the F.Y. 2023-24	₹ 36.00 Lakhs per annum	₹ 9.84 Lakhs per annum	₹ 11.25 Lakhs per annum

#### SITTING FEES PAYABLE TO EXECUTIVE DIRECTORS

Till date, our Company has not paid any sitting fees to any of the Non-Executive Directors or independent for attending any of the Board or Committee Meetings. Further, The Board of Directors has decided to pay sitting fees of upto ₹ 300000 per annum to independent directors vide appointment letter dated September 16, 2023.

#### SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	Chairman and Managing Director & CEO
2.	Mrs. Mydhili Rajagopal Reddy	3750375	Whole Time Director
3.	Mr. Nageswara Rao Repuri	1130250	Whole Time Director and CFO
4.	Mr. Mallikarjuna Katta	Nil	Independent Director
5.	Mr. Kamleshkumar Kantilal Wakharia	Nil	Independent Director
6.	Mr. Venkata Rama Krishna Akella	Nil	Independent Director

#### INTEREST OF DIRECTORS

All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration, Professional fees, and/or reimbursement, of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company and also payment of interest on unsecured loan and lease rent.

Except as stated under “Annexure IX -Restated Related Party Transactions” under Chapter titled “Restated Financial Information” beginning on page 182 of the Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which our directors are interested directly or indirectly.

#### CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes
Mr. Nageswara Rao Repuri	November 30, 2021	Change in Designation	His Designation was changed to Director of the Company from Additional Director of the company.
Mr. Nageswara Rao Repuri	July 03, 2023	Change in Designation	His Designation was changed to Whole Time Director of the Company from Director of the company.

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes
Mr. Mallikarjuna Katta	June 24, 2023	Appointment	He has been appointed as an Additional Independent Director of the company.
Mr. Kamleshkumar Kantilal Wakharia	June 24, 2023	Appointment	He has been appointed as an Additional Independent Director of the company.
Mr. Venkata Rama Krishna Akella	June 24, 2023	Appointment	He has been appointed as an Additional Independent Director of the company.
Mr. Mallikarjuna Katta	September 16, 2023	Change in Designation	His Designation was changed to Independent Director of the Company from Additional Independent Director of the company.
Mr. Kamleshkumar Kantilal Wakharia	September 16, 2023	Change in Designation	His Designation was changed to Independent Director of the Company from Additional Independent Director of the company.
Mr. Rajagopal Reddy Annam Reddy	September 16, 2023	Reappointment	He has been reappointed as a Chairman and Managing Director of the company.
Mr. Venkata Rama Krishna Akella	September 16, 2023	Change in Designation	His Designation was changed to Independent Director of the Company from Additional Independent Director of the company.

## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Red Herring Prospectus , as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good corporate governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Composition of Board of Directors

Currently our Board is consisting of 6 (Six) directors on our Board, of which 3 (Three) Directors are Executive directors and rest of the 3 (Three) Directors are Independent Director.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Status	DIN
1.	Mr. Rajagopal Reddy Annam Reddy	Chairman and Managing Director & CEO	Executive	07039573
2.	Mrs. Mydhili Rajagopal Reddy	Whole-Time Director	Executive	07039579
3.	Mr. Nageswara Rao Repuri	Whole-Time Director and CFO	Executive	09121019
4.	Mr. Mallikarjuna Katta	Independent Director	Non-Executive	10212802
5.	Mr. Kamleshkumar Kantilal Wakharia	Independent Director	Non-Executive	10212799
6.	Mr. Venkata Rama Krishna Akella	Independent Director	Non-Executive	10212750

### Constitution of Committees

Our company has constituted the following Committees of the Board:

## 1. Audit Committee

## 2. Stakeholders Relationship Committee

## 3. Nomination and Remuneration Committee

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

### 1. Audit Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on November 15, 2023 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Mallikarjuna Katta	Chairperson	Independent Director
Mr. Rajagopal Reddy Annam Reddy	Member	Managing Director
Mr. Venkata Rama Krishna Akella	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### Terms of Reference

The Role of Audit Committee not limited to but includes: -

- i. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the Statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- iii. Examination of financial statement and auditors' report thereon including interim financial results before submission to the Board of Directors for approval particularly with respect to;
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
- iv. Approval or any subsequent modification of transactions of the Company with related party;
 

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof; Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
- v. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vi. Scrutiny of Inter-corporate loans and investments;

- vii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- viii. Reviewing and discussing 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;
- ix. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- x. Valuation of undertakings or assets of the company, where ever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems and reviewing with the management, performance of statutory & internal auditors, and adequacy of the internal control systems;
- xii. 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 and discussion with internal auditors of any significant findings and follow up there on;
- xiii. 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;
- xiv. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- xv. 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;
- xvi. 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; and
- xvii. Carrying out any other function as assigned by the Board of Directors & other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

#### Review of Information

- i. Management discussion and analysis of financial condition and results of operations.
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Internal Auditor.

#### Powers of Committee

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### Quorum and Meetings

The audit committee shall meet as often as necessary subject to minimum 4 times in financial years. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

#### 2. Stakeholders Relationship Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on November 15, 2023 constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Mallikarjuna Katta	Chairperson	Independent Director
Mr. Kamleshkumar Kantilal Wakharia	Member	Independent Director
Mr. Venkata Rama Krishna Akella	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### Terms of Reference

To supervise and ensure;

- i. 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;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

### Quorum and Meetings

The Stakeholders Relationship Committee shall meet at least once in financial year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

### 3. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on November 15, 2023 constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Mallikarjuna Katta	Chairperson	Independent Director
Mr. Kamleshkumar Kantilal Wakharia	Member	Independent Director
Mr. Venkata Rama Krishna Akella	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### Terms of reference

Role of Nomination and Remuneration Committee not limited to but includes: -

- i. 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;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iv. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance;

- vi. recommend to the board, all remuneration, in whatever form, payable to senior management;
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

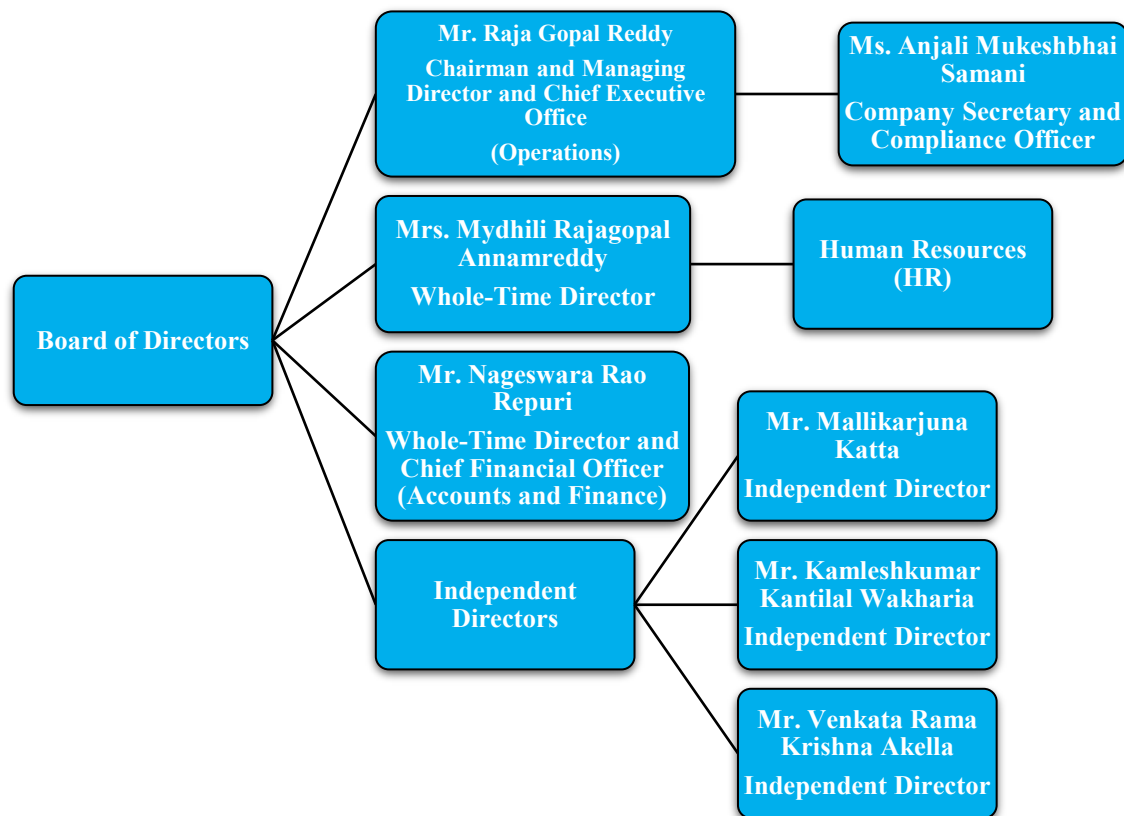
#### **Quorum and Meetings**

The Committee is required to meet at least once in financial year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.



## MANAGEMENT ORGANISATION CHART

The Management Organization Structure of the company is depicted from the following chart:



## OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company other than our Executive Directors are as follows:

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2023-24 (₹ in Lakhs)
<b>Name</b>	Ms. Anjali Mukeshbhai Samani	She is a member of the Institute of Company Secretaries of India.	Ushanti Colour Chem Limited	1.99
<b>Designation</b>	Company Secretary and Compliance Officer			
<b>Date of Appointment</b>	December 18, 2023			
<b>Overall Experience</b>	She has experience over 1 years in the field of corporate law and compliance.			

## BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Currently, Our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Key Managerial Personnel, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

## CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Red Herring Prospectus, otherwise than by way of retirement in due course.

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes
Mr. Rajagopal Reddy Annam Reddy	September 16, 2023	Reappointment	He has been reappointed as a Chairman and Managing Director of the company.
Mr. Nageswara Rao Repuri	July 3, 2023	Change in Designation	His Designation was changed to Whole Time Director of the Company from Director of the company.
Ms. Anjali Mukeshbhai Samani	December 18, 2023	Appointment	Appointed as Company Secretary and Compliance Officer.
Mr. Rajagopal Reddy Annam Reddy	September 13, 2023	Appointment	Appointed as Chief Executive Officer of the Company.
Mr. Nageswara Rao Repuri	September 13, 2023	Appointment	Appointed as Chief Financial Officer of the Company.

## EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Red Herring Prospectus, our company does not have any ESOP Scheme for its employees.

## RELATIONSHIP BETWEEN KEY MANAGEMENT PERSONNEL

Except as disclosed below, there is no any existing relationship between Key Management Personnel as on date of filing red Herring Prospectus.

Name of KMP	Designation	Relation
Mr. Rajagopal Reddy Annam Reddy	Chairman, Managing Director and Chief Executive Officer	He is spouse of Mrs. Mydhili Rajagopal Reddy who is Whole Time Director in the company.

## PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

Notes:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our no benefits are granted upon their termination from employment other that statutory benefits provided by our company and further, our Company has appointed certain Key Managerial Personnel i.e. and Chief Executive Officer, Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

#### SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL


Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.


Sr. No.	Name of Key Management Personnel	No. Equity Shares held	Category/ Status
1.	Mr. Rajagopal Reddy Annam Reddy	4880625	Chairman and Managing Director and Chief Executive Officer
2.	Mrs. Mydhili Rajagopal Reddy	3750375	Whole Time Director
3.	Mr. Nageswara Rao Repuri	1130250	Whole Time Director and Chief Financial Officer

## OUR PROMOTERS AND PROMOTER GROUP


Promoters of Our Company is Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri. For details of the Capital build-up of our Promoters, see chapter titled “*Capital Structure*” beginning on page no. 61 of this Red Herring Prospectus.

The details of our Promoters are as follows:

MR. RAJAGOPAL REDDY ANNAM REDDY	
	Mr. Rajagopal Reddy Annam Reddy aged 49 years is Promoter, Chairman, Chief Executive Officer and Managing Director of the Company. He was appointed as a Director of the Company since incorporation of the Company on December 19, 2014. Subsequently, he was appointed as Managing Director for a period of five years with effect from November 1, 2017, by special resolution passed by shareholders in their Extra-ordinary General Meeting held on November 25, 2017. He was re-appointed as Chairman and Managing Director, liable to retire by rotation for another period of five year with effect from November 01, 2023, by special resolution passed by shareholders in their Extra-ordinary General Meeting held on September 16, 2023. Additionally, he was appointed as a Chief Executive Officer with effect from September 13, 2023, by the Board of Directors of the Company in their board meeting held on September 13, 2023. He is having more than 20 years of experience in construction industry.
<b>Date of Birth</b>	March 8, 1975
<b>Age</b>	49
<b>PAN</b>	AHYPR5397Q
<b>Educational Qualification</b>	He has completed Bachelor of Engineering (mechanical) from Sri Venkateswara University in the year 1998 and Master Program in Business Administration (MBA) from Indian School of Business Management and Administration in the year 2009.
<b>Present Residential Address</b>	80, Baleshwar Upvan, Bopal-ghuma Road, near HDFC Bank, (Ghuma Branch), Ghuma, Daskroi, Bopal, Ahmedabad, Gujarat - 380058
<b>Position/posts held in the past</b>	Executive Director
<b>Directorship held</b>	NIL
<b>Other Ventures</b>	NIL

MRS. MYDHILI RAJAGOPAL REDDY	
	Mrs. Mydhili Rajagopal Reddy aged 41 years is Promoter and Whole Time Director of the Company. She was appointed as a Director of the Company since incorporation of the company i.e., December 19, 2014 and later she was appointed as Whole Time Director, w.e.f December 24, 2016. Further, she was reappointed as a Whole Time Director, liable to retire by rotation for a period of five years from July 05, 2021. She is having over 9 years of experience in the administration and human recourse (HR).
<b>Date of Birth</b>	June 1, 1982
<b>Age</b>	41
<b>PAN</b>	AQWPA3386R
<b>Educational Qualification</b>	She has completed her degree on Bachelor of Commerce from Sri Venkateswara University in the year 2002.
<b>Present Residential Address</b>	80, Baleshwar Upvan, Bopal-ghuma Road, near HDFC Bank, (Ghuma Branch), Ghuma, Daskroi, Bopal, Ahmedabad, Gujarat - 380058

<b>Position/posts held in the past</b>	Executive Director
<b>Directorship held</b>	NIL
<b>Other Ventures</b>	NIL

	<b>MR. NAGESWARA RAO REPURI</b>
	<p>Mr. Nageswara Rao Repuri aged 41 years is Promoter, Whole Time Director and Chief Financial Officer of the Company. He was appointed as an Additional Director of the Company by the Board of Directors in their Board Meeting held on February 21, 2021. Later, he was regularised as a Director on November 30, 2021. Subsequently, he was appointed as Whole Time Director, subject to liable to retire by rotation, for a period of five years with effect from July 03, 2023 by a special resolution of shareholders at the company's Extraordinary General Meeting of the company held on July 03, 2023. Additionally, he was appointed as a Chief Financial Officer with effect from September 13, 2023, by the Board of Directors of the Company in their board meeting held on September 13, 2023. He is having over 18 years of experience in the Accounting.</p>
<b>Date of Birth</b>	August 20, 1982
<b>Age</b>	41
<b>PAN</b>	AKCPR5454R
<b>Educational Qualification</b>	He has completed his degree of Bachelor of Commerce from Andhra University in the year 2004.
<b>Present Residential Address</b>	Plot No. 116/E and F, Flat No. 302, Sri Kedarnath Residency, Mayuri Nagar Colony, Miyapur, Tirumalagiri, Hyderabad, Telangana-500049
<b>Position/posts held in the past</b>	Executive Director
<b>Directorship held</b>	NIL
<b>Other Ventures</b>	NIL

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and Driving Licence number of our Promoters has been submitted to the NSE, stock exchange on which the specified securities are proposed to be listed along with filing of the Draft Red Herring Prospectus with the Stock Exchange.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS

There has been no change in control or management of the issuer since incorporation.

## INTEREST OF OUR PROMOTERS

- Except as stated in “**Annexure IX - Restated Related Party Transactions**” under section “**Restated Financial Information**” beginning from page no. 182 of this Red Herring Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoters do not have any other interest in our business.
- Further, our Promoters may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “**Annexure IX - Restated Related Party Transactions**” under section “**Restated Financial Information**” beginning from page no. 182 of this Red Herring Prospectus.
- Our Promoters, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Red Herring Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Red Herring Prospectus.
- Excepted as otherwise as stated in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Red Herring Prospectus in which Promoters is directly or indirectly interested.

## PAYMENT OF BENEFITS TO OUR PROMOTERS

Except as stated in the section “*Annexure IX- Restated Related Party Transactions*” under section “*Restated Financial Information*” beginning from page no. 182 of this Red Herring Prospectus, there has been no payment of benefits made to our Promoters in the two years preceding the filing of this Red Herring Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoters, Directors or Promoters’ Group, towards remunerations as decided by Board of Directors.

## CONFIRMATIONS

Our Company and Promoters confirmed that they have not been declared as wilful defaulters or Fraudulent Borrowers or by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, Promoter group or directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, Promoter group or directors do not have direct or indirect relation with the companies, its Promoter and whole-time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our Promoters or directors are not a fugitive economic offender.

We and Our Promoter, Group Entities, and Companies promoted by the Promoter confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title “*Outstanding Litigation and Material Developments*” appearing on page no. 199 of this Red Herring Prospectus.

## DISASSOCIATION OF PROMOTER IN THE LAST THREE YEAR:

Our Promoters have not disassociated himself/herself from any Company or Firm during the preceding three years.

## RELATIONSHIP OF PROMOTER WITH EACH OTHER AND WITH OUR DIRECTORS

Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Name of Promoter	Name of Director	Relationship
Mr. Rajagopal Reddy Annam Reddy	Mrs. Mydhili Rajagopal Reddy	Spouse

## OUR PROMOTER’ GROUP

In addition to our Promoter named above, the following individuals and entities form a part of the Promoter’ Group:

### a. Natural persons who are part of our Individual Promoter Group:

Relationship with Promoters	Mrs. Mydhili Rajagopal Reddy	Mr. Rajagopal Reddy Annam Reddy	Mr. Nageswara Rao Repuri
Father	Late Krishna Reddy.Kota	Mr. Sundararami Reddy	Mr. Pullayya Repuri
Mother	Mrs. Arunamma Kota	Late Vijaya Lakshmi	Mrs. Anantha Lakshmi Repuri
Spouse	Mr. Rajagopal Reddy Annam Reddy	Mrs. Mydhili Rajagopal Reddy	Mrs. Durga Devi Repuri
Brother/s	Mr. Kota Syamsundar Reddy	Mr. Radha Krishna Reddy Annam Reddy	Mr. Venkateswara Rao Repuri Mrs. Murali Krishna Repuri
Sister/s	NA	NA	NA
Son/s	Mr. Vijaykumar Rajagopal Reddy Annam Reddy	Mr. Vijaykumar Rajagopal Reddy Annam Reddy	Master. Gagan Yashwanth Repuri
Daughter/s	Ms. Lakshmi Reddy Annam Reddy	Ms. Lakshmi Reddy Annam Reddy	NA
Spouse’s Father	Mr. Sundararami Reddy	Late Krishna Reddy.Kota	Mr. Veera Raghuvulu Katari
Spouse’s Mother	Late Vijaya Lakshmi	Mrs. Arunamma Kota	Mrs. Anantha Lakshmi Katari



Relationship with Promoters	Mrs. Mydhili Rajagopal Reddy	Mr. Rajagopal Reddy Annam Reddy	Mr. Nageswara Rao Repuri
Spouse's Brother/s	Mr. Radha Krishna Reddy Annam Reddy	Mr. Kota Syamsundar Reddy	NA
Spouse's Sister/s	NA	NA	Mrs. Naga Sudha Lakshmi Kodavati

**b. Companies related to our Promoters Company: Not Applicable as our Promoter is not Company.**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Not Applicable
Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoter (Body Corporate).	Not Applicable

**c. Companies, Proprietary concerns, HUF's related to our Promoters**

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoter or an immediate relative of the Promoter or a firm or HUF in which Promoter or any one or more of his immediate relatives are a member.	NIL
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	NIL
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoters and his immediate relatives is equal to or more than twenty percent.	A Radhakrishna Reddy

**d. Person whose shareholding is aggregated under the heading "Shareholding of the Promoters Group"**

Name of Entities / Person
-

For further details on our Group Companies refer Chapter titled ***"Information with respect to Group Companies/Entities"*** beginning on page no. 211 of this Red Herring Prospectus.

---

## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our 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 the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared dividend in last three years from date of this Red Herring Prospectus.

---

**SECTION IX – FINANCIAL STATEMENTS**

**RESTATED FINANCIAL INFORMATION**

<b>Sr. No</b>	<b>Particulars</b>	<b>Page Nos.</b>
1.	Restated Financial Information	RFS- 1 to RFS- 31

**Independent Auditor’s Examination report on  
Restated Financial Information of VL INFRA PROJECTS LIMITED**

To,  
The Board of Directors  
V.L.INFRAPROJECTS LIMITED,  
716, Shivalik Satyamev, Nr. Vakil saheb Bridge,  
Bopal, Ahmedabad,  
Gujarat, India, 380058

Dear Sirs,

1. We have examined the attached Restated Financial Information of VL INFRA PROJECTS LIMITED (the “Company” or the “Issuer”), comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, 2023, 2022 and 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the financial year ended on March 31, 2024, 2023, 2022 and 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on July 13, 2024 for the purpose of inclusion in the Red Herring Prospectus / Prospectus (Here-in Offer Documents) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”).
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”)
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Gujarat and the NSE Emerge Exchange in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors’ responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated March 16, 2024 in connection with the proposed IPO of equity shares of the Issuer;
  - 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 Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the financial years ended on March 31, 2024, 2023, 2022 and 2021 which has been approved by the Board of Directors.
- a) We have not audited the financial statements of the company as at March 31, 2024, 2023, 2022 & 2021 which were prepared by the company in accordance with Indian Accounting Standard (Indian GAAP).
  - b) We have relied upon Statutory Audited financial statements of the Company for the years ended March 31, 2024, 2023, 2022 & 2021 prepared in accordance with the Indian Accounting Standards (Indian GAAP) which have been approved by the Board of Directors at their meeting held on July 01, 2024, September 04, 2023, September 04, 2022 and November 02, 2021 respectively.
6. For the purpose of our examination, we have relied on:
- a) Auditors' Report issued by statutory auditor dated July 01, 2024, September 04, 2023, September 04, 2022 and November 02, 2021 on the financial statements of the company as at for the financial year ended on March 31, 2024, 2023, 2022 and 2021 as referred in Paragraph 5(b) above

The audits for the financial year ended March 31, 2024 were conducted by the Company's statutory auditors, M/S Pary & Co. Chartered Accountants, and for the financial years ended March 31, 2023, 2022 & 2021 were conducted by the Company's statutory auditors, M/S MANISH K SETHI & CO. Chartered Accountants, and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and collectively, the "Restated Financial Information" examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The "**Restated Summary Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at for the financial year ended on March 31, 2024, 2023, 2022 & 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary 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. These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - b) The "**Restated Summary Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company as at for the financial year ended on March 31, 2024, 2023, 2022 &, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary 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 Summary Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company as at for the financial year ended on March 31, 2024, 2023, 2022 & 2021 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow 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.
- d) The Restated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
- g) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at for the financial year ended on March 31, 2024, 2023, 2022 & 2021 which would require adjustments in this Restated Financial Statements of the Company;
- i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
- j) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
- k) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- l) The company has not proposed any dividend in past effective for the said period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at for the financial year ended on March 31, 2024, 2023, 2022 & 2021 proposed to be included in the Offer Documents.

Annexure No.	Particulars
<b>I</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred tax liabilities
I.5	Restated Statement of Other Long-term borrowings
I.6	Restated Statement of Long-term provisions



Annexure No.	Particulars
I.7	Restated Statement of Short-Term Borrowing
I.8	Restated Statement of Trade Payables
I.9	Restated Statement of Other Current Liabilities
I.10	Restated Statement of Short-Term Provisions
I.11	Restated Statement of Property Plants & Equipment's
I.12	Restated Statement of Other Non-Current Assets
I.13	Restated Statement of Current Investments
I.14	Restated Statement of Inventories
I.15	Restated Statement of Trade Receivable
I.16	Restated Statement of Cash & Cash Equivalent
I.17	Restated Statement of Short-Term Loans and Advances
I.18	Restated Statement of Other Current Assets
<b>II</b>	<b>Restated Statement of Profit &amp; Loss</b>
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of Material Consumed
II.4	Restated Statement of Purchases of stock-in-trade
II.5	Restated Statement of Employee benefits expense
II.6	Restated Statement of Finance Cost
II.7	Restated Statement of Other expenses
II.8	Restated Statement of Earnings Per Share
<b>Other Annexures:</b>	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related party disclosures
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities & Capital Commitment

9. We, M/s. S V J K & Associates., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "**Peer Review Board**" of the ICAI which is valid till November 30, 2026.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For, S V J K and Associates**  
**Chartered Accountants**  
**Firm Reg. No: 135182W**  
**PRC No: 014698**

**Ankit Singhal**  
**Partner**  
**Membership No: 151324**

**Place: Ahmedabad**  
**Date: 13<sup>th</sup> July, 2024**  
**UDIN: 24151324BKESHZ5964**

ANNEXURE - I  
STATEMENT OF ASSETS & LIABILITIES, AS RESTATED

					(₹ in Lakhs)	(₹ in Lakhs)
	Particulars	Note	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	1. Shareholders' funds					
	(a) Share Capital	I.1	1,130.25	753.50	274.00	274.00
	(b) Reserves and surplus	I.2	505.76	268.50	456.84	346.26
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	212.88	164.92	238.19	267.97
	(b) Deferred tax liabilities	I.4	6.55	9.69	10.60	7.14
	(c) Other Non-current liabilities	I.5	126.60	87.45	61.82	-
	(d) Long-term provisions	I.6	4.50	3.38	4.82	4.09
	3. Current liabilities					
	(a) Short-term borrowings	I.7	1,441.93	834.10	765.33	391.44
	(b) Trade payables	I.8				
	i) Due to MSME		32.77	-	-	-
	ii) Due to Others		2,137.19	598.13	122.63	269.92
	(c) Other current liabilities	I.9	70.68	116.36	20.82	59.82
	(d) Short-term provisions	I.10	22.29	0.19	0.35	20.66
			<b>5,691.39</b>	<b>2,836.24</b>	<b>1,955.40</b>	<b>1,641.29</b>
<b>II.</b>						
	<b>1. Non-current assets</b>					
	(a) Property Plant & Equipments and Intangible Assets					
	(i) Property Plant & Equipments	I.11	337.80	186.54	196.31	181.37
	(ii) Capital work-in-progress		60.03	-	-	33.59
	(b) Other Non Current Assets	I.12	1.76	65.09	13.10	28.88
	<b>2. Current assets</b>					
	(a) Investments	I.13	-	10.00	25.00	-
	(b) Inventories	I.14	301.99	281.63	189.69	162.42
	(c) Trade receivables	I.15	1,663.41	758.48	531.58	565.16
	(d) Cash and cash equivalents	I.16	178.19	34.10	21.91	9.10
	(e) Short-term loans and advances	I.17	249.95	208.65	194.47	142.16
	(f) Other Current Assets	I.18	2,898.27	1,291.74	783.34	518.62
	<b>TOTAL</b>		<b>5,691.39</b>	<b>2,836.24</b>	<b>1,955.40</b>	<b>1,641.29</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

For and on behalf of the Board of Directors  
VL INFRA PROJECTS LIMITED

Ankit Singhal  
Partner  
M No.: 151324  
UDIN: 24151324BKESHZ5964

Nageswara Rao Repuri  
Whole-Time Director and CFO  
DIN:07039579

Rajagopal Reddy  
Managing Director  
DIN:07039573

Place: Ahmedabad  
Date : 13th July, 2024

Place: Ahmedabad  
Date : 13th July, 2024

ANNEXURE - II  
STATEMENT OF PROFIT & LOSS, AS RESTATED

(₹ in Lakhs)

	Particulars	Note	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
I	Revenue from operations	II.1	11,393.16	4,555.70	3,555.34	3,072.08
II	Other Income	II.2	6.89	9.44	5.36	5.49
III	<b>Total Income (I+II)</b>		<b>11,400.05</b>	<b>4,565.14</b>	<b>3,560.70</b>	<b>3,077.57</b>
	<b>Expenses:</b>					
	(a) Cost of materials consumed	II.3	6,641.07	2,442.90	1,485.83	1,228.20
	(b) Purchases of stock-in-trade	II.4	828.41	204.00	-	-
	(c) Employee benefits expense	II.5	147.44	119.11	105.55	120.09
	(d) Finance costs	II.6	196.56	134.09	130.16	120.94
	(e) Depreciation and amortisation expense		48.99	38.04	34.73	11.83
	(f) Other expenses	II.7	2,685.83	1,317.91	1,650.14	1,478.24
IV	<b>Total expenses</b>		<b>10,548.31</b>	<b>4,256.06</b>	<b>3,406.42</b>	<b>2,959.30</b>
				-		
V	<b>Profit/(Loss) before tax and Exceptional Items (III-IV)</b>		<b>851.74</b>	<b>309.08</b>	<b>154.28</b>	<b>118.26</b>
VI	<b>Exceptional Items</b>		-	-	-	-
VII	<b>Profit/(Loss) before tax (V-VI)</b>		<b>851.74</b>	<b>309.08</b>	<b>154.28</b>	<b>118.26</b>
VIII	<b>Tax expense:</b>					
	(a) Current tax expense		240.88	87.33	40.25	31.62
	(b) Deferred tax charge/(credit)		(3.14)	(0.91)	3.46	3.28
			<b>237.73</b>	<b>86.42</b>	<b>43.71</b>	<b>34.89</b>
IX	<b>Profit after tax for the year (VII-VIII)</b>		<b>614.01</b>	<b>222.66</b>	<b>110.58</b>	<b>83.37</b>
XII	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus impact with retrospective impact)</b>	II.8				
	(a) Basic (in ₹)		5.43	2.10	1.04	0.79
	(b) Diluted (in ₹)		5.43	2.10	1.04	0.79

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

For and on behalf of the Board of Directors  
VL INFRA PROJECTS LIMITED

Ankit Singhal  
Partner  
M No.: 151324  
UDIN: 24151324BKESHZ5964

Nageswara Rao Repuri  
Whole-Time Director and CFO  
DIN:07039579

Rajagopal Reddy  
Managing Director  
DIN:07039573

Place: Ahmedabad  
Date : 13th July, 2024

Place: Ahmedabad  
Date : 13th July, 2024

ANNEXURE - III  
STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lakhs)

Particulars	For the period ended	For the period ended	For the year Ended	For the year Ended
	31/03/2024	31/03/2023	31/03/2022	31/03/2021
<b>Cash Flow From Operating Activities:</b>				
Profit Before Tax	851.74	309.08	154.28	118.26
<b>Adjustments for:</b>				
Depreciation & Amortisation Expense	48.99	38.04	34.73	11.83
Financial Income	(6.89)	(9.44)	(5.36)	(5.49)
Interest Expense (Finance Cost)	196.56	134.09	130.16	120.94
<b>Operating Profit before Working Capital Changes</b>	<b>1,090.40</b>	<b>471.77</b>	<b>313.82</b>	<b>245.55</b>
<b>Changes in Working Capital</b>				
(a) (Increase)/Decrease in Inventories	(20.36)	(91.94)	(27.27)	12.77
(b) (Increase)/Decrease in Trade Receivables	(904.93)	(226.91)	33.59	(201.44)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(1,801.38)	(569.67)	(325.13)	87.48
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	1,548.24	570.88	(206.59)	(75.05)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(88.03)</b>	<b>154.13</b>	<b>(211.58)</b>	<b>69.30</b>
Net Income tax Paid/Refunded	(87.33)	(40.25)	(32.15)	(20.20)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>(175.36)</b>	<b>113.89</b>	<b>(243.73)</b>	<b>49.10</b>
<b>Cash Flow From Investing Activities:</b>				
(a) Sales / (Addition) in Fixed Assets & WIP	(260.26)	(28.27)	(16.09)	(110.40)
(b) (Increase) / Decrease in Investment	10.00	15.00	(25.00)	-
(c) (Increase) / Decrease in Non Current Assets	63.34	(52.00)	15.78	(28.48)
(d) Interest and other income	6.89	9.44	5.36	5.49
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>(180.03)</b>	<b>(55.83)</b>	<b>(19.95)</b>	<b>(133.39)</b>
<b>Cash Flow from Financing Activities:</b>				
(a) Increase/(Decrease) in Long Term Borrowings	87.10	(47.64)	32.04	84.85
(b) Increase/(Decrease) in Short Term Borrowings	607.83	68.78	373.89	93.00
(c) Issue of Share Capital	-	68.50	-	-
(d) Increase / ( Decrease ) in Long Term Provisions	1.12	(1.43)	0.73	4.09
(e) Interest Paid	(196.56)	(134.09)	(130.16)	(120.94)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>499.49</b>	<b>(45.88)</b>	<b>276.49</b>	<b>61.00</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A)+(B)+(C)</b>	<b>144.10</b>	<b>12.18</b>	<b>12.81</b>	<b>(23.29)</b>
<b>OPENING BALANCE – CASH &amp; CASH EQUIVALENT</b>	<b>34.10</b>	<b>21.91</b>	<b>9.10</b>	<b>32.39</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>178.20</b>	<b>34.09</b>	<b>21.91</b>	<b>9.10</b>

As per our Report of even date

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

Ankit Singhal  
M No.: 151324  
UDIN: 24151324BKESHZ5964

Place: Ahmedabad  
Date : 13th July, 2024

For and on Behalf of the Board  
VL INFRA PROJECTS LIMITED

Nageswara Rao Repuri  
Whole-Time Director and CFO  
DIN:07039579

Rajagopal Reddy  
Managing Director  
DIN:07039573

Place: Ahmedabad  
Date : 13th July, 2024

Annexure - I.1

Restated Statement of Share Capital

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Authorised Capital</b>				
Equity shares of Rs.10 each	17,000,000	7,535,000	3,000,000	3,000,000
Authorised Equity Share Capital In Rs.	1,700.00	753.50	300.00	300.00
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity shares of Rs.10 each	11,302,500	7,535,000	2,740,000	2,740,000
Issued, Subscribed & Fully Paid up Share Capital In Rs.	1,130.25	753.50	274.00	274.00
<b>Total</b>	<b>1,130.25</b>	<b>753.50</b>	<b>274.00</b>	<b>274.00</b>

Reconciliation of the number of shares outstanding is set out below:-

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Shares outstanding at the beginning of the year	7,535,000	2,740,000	2,740,000	1,000,000
Add:-Shares Issued during the year				
Right Shares Issued during the year	-	685,000	-	-
* Bonus Shares Issued	3,767,500	4,110,000	-	1,740,000
Less:Shares bought back during the year				
Other Changes (give details)	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>11,302,500</b>	<b>7,535,000</b>	<b>2,740,000</b>	<b>2,740,000</b>

The Company have one class shares-Equity, have a face value of Rs.10/-and each entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all payments of liabilities according to their rights and interests in the company.

\* Free reserves for the purpose of issuing of bonus shares is calculated based on the Audited Financial statement for the period ended as on September 30, 2023.

Details of Shareholders holding more than 5 % shares:-

Name of Shareholder	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Rajagopal Reddy</b>				
Number of Shares	4,880,625	3,116,750	1,000,100	1,000,100
% of Holding	43.18%	41.36%	36.50%	36.50%
<b>Mydhili Rajagopal Reddy</b>				
Number of Shares	3,750,375	2,500,250	1,000,100	1,000,100
% of Holding	33.18%	33.18%	36.50%	36.50%
<b>Dhartiben A Trivedi</b>				
Number of Shares	339,177	685,000	274,000	274,000
% of Holding	3.00%	9.09%	10.00%	10.00%
<b>R Nageswara Rao</b>				
Number of Shares	1,130,250	753,500	274,000	274,000
% of Holding	10.00%	10.00%	10.00%	10.00%

Details of Promoter's Shareholding:-

Name of Shareholder	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Rajagopal Reddy</b>				
Number of Shares	4,880,625	3,116,750	1,000,100	1,000,100
% of Holding	43.18%	41.36%	36.50%	36.50%
<b>Mydhili Rajagopal Reddy</b>				
Number of Shares	3,750,375	2,500,250	1,000,100	1,000,100
% of Holding	33.18%	33.18%	36.50%	36.50%
<b>R Nageswara Rao</b>				
Number of Shares	1,130,250	753,500	274,000	274,000
% of Holding	10.00%	10.00%	10.00%	10.00%

(% Change in Promoter's Share holding : There is no change in promoter's share holding 100% Equity held by Promoters)

Annexure - I.2

Restated Statement of Reserves And Surplus

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>A. Securities Premium Account</b>				
Balance as per last financial statements	-	-	-	-
Add: Additions during the year on account of allotment of bonus shares	-	-	-	-
Less: Bouns shares issued of Rs. 10 each	-	-	-	-
<b>Net Security Premium Account</b>	-	-	-	-
<b>B. Surplus in Statement of Profit &amp; Loss A/c</b>				
Opening balance	268.50	456.84	346.26	436.89
(+) Net Profit For the current year	614.01	222.66	110.58	83.37
: Less Bonus Shares Issued	(376.75)	(411.00)	-	(174.00)
<b>Net Surplus in Statement of Profit and Loss</b>	<b>505.76</b>	<b>268.50</b>	<b>456.84</b>	<b>346.26</b>
<b>Total</b>	<b>505.76</b>	<b>268.50</b>	<b>456.84</b>	<b>346.26</b>

Annexure - I.3

Restated Statement of Long Term Borrowings

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>(a) Term loans (Refer I.3.1 &amp; I.3.2)</b>				
<b>Rupee Term Loan</b>				
Indian rupee loan from Bank	228.37	195.92	276.83	338.47
Indian rupee loan from financial	72.07	62.67	50.00	79.95
Less: Current maturities of long term debts from banks and FI	(87.56)	(93.67)	(88.64)	(150.45)
<b>Total Borrowings</b>	<b>212.88</b>	<b>164.92</b>	<b>238.19</b>	<b>267.97</b>
<b>Secured Loans</b>				
From banks and Financial Institutions	89.94	75.79	54.72	4.19
<b>Unsecured Loans</b>				
From banks and Financial Institutions	122.94	89.13	183.47	263.78
<b>Total Borrowings</b>	<b>212.88</b>	<b>164.92</b>	<b>238.19</b>	<b>267.97</b>



Note:-

I.3.1 Additional information to Long term Borrowings

Lender	Nature of Loan	Sanctioned Amount (Rs. In Lakhs)	Outstanding as on 31/03/2024 (Rs. In Lakhs)	Rate of Interest per annum	Period of Repayment	Primary Security	Collateral Security	
							Immovable Property	Guarantee
HDFC Bank	Business Term Loan	50.00	14.22	16.10%	48 Months	Nil	Nil	Nil
IDFC First Bank Ltd	Business Term Loan	51.00	13.52	16.00%	36 Months	Nil	Nil	Nil
AU Small Finance Bank	Construction Equipment Loan	27.70	15.85	9.00%	60 Months	New JCB 3DX /STD/1.1/0.26/2W D/HD/LL/2Y PT	Nil	Nil
State Bank of India	GECL Term Loan	54.72	30.40	9.25%	36 monthly installments of Rs. 1.52 lakhs each after a moratorium of 24 months.	Hypothecation of Stock, Book Debts and all Other Current assets of the firm	All the Immovable Property Berieng No. 6P., 7P., & 12 P, situated at 80, Baleshwar Upwan Bunglows , Flat No.- C-301, Office no. 312, 340, 347 and 397/A , 454/1 , Entire 1st and 4th floor of building named as " Sri lakshmi Nilayam"(Detailis as per Sanctioned Letter)	Personal Guarantee of.. Mr. Rajagopal Reddy Mrs. Mydhili Rajagopal Reddy Mrs. Hansa Chaudhary Mrs. Meenaben Chaudhry
Standred Chartred Bank	ECLGS Term Loan	18.41	11.25	8.50%	24 Months Moratorium and 36 months Repayment	Nil	Nil	Nil
AU Small Finance Bank	Construction Equipment Loan	29.00	20.98	10.00%	60 Months	New JCB 3DX /STD/1.1/0.26/2W D/HD/LL/2Y PT	Nil	Nil
Standred Chartred Bank	Business Term Loan	90.00	58.96	16.65%	48 Months	Nil	Nil	Nil
Godrej Finance Ltd	Business Loan	25.00	25.00	17.00%	24 Months Moratorium and 36 months Repayment	Nil	Nil	Nil
Punjab National Bank	Vehicle Loan	26.00	22.71	8.80%	84 Months	Hypothetication of the new four wheeler -TATA safari	Nil	MRS MYDHILI RAJAGOPAL REDDY son/daughter/wife of RAJAGOPAL REDDY, MR MR RAJAGOPAL REDDY ANNAM REDDY son/daughter/wife of SUNDARA RAMI REDDY
Deutsche Bank AG	GECL Term Loan	7.50	-	8.10%	36 Months	Nil	Nil	Nil
Standred Chartred Bank	Business Term Loan	20.00	-	16.65%	48 Months	Nil	Nil	Nil
HDFC	GECL Term Loan	6.17	-	8.25%	12 Months Moratorium and 48 months Repayment	Nil	Nil	Nil
Deutsche Bank AG	Business Term Loan	50.00	-	17.50%	36 Months	Nil	Nil	Nil
HDFC	Vehicle Loan	8.74	-	10.00%	48 Months	Honda City Car	Nil	Nil
HDFC	Vehicle Loan	6.55	-	10.00%	48 Months	TUV 300 Car	Nil	Nil
Aditya Birla	Business Term Loan	25.00	-	19.25%	36 Months	Nil	Nil	Nil
Aditya Birla	GECL Term Loan	4.23	-	8.25%	12 Months	Nil	Nil	Nil
ICICI	Business Term Loan	40.00	-	16.50%	36 Months	Nil	Nil	Nil
ICICI	GECL Term Loan	8.00	-	8.25%	12 Months	Nil	Nil	Nil
State Bank of India	WCTL	62.00	-	10.15%	24 Months	Nil	Nil	Nil
TATA Capital	Business Term Loan	31.00	-	17.50%	36 Months	Nil	Nil	Nil
Fullerton India Credit Co. Ltd	Business Term Loan	29.00	-	16.50%	41 Months	Nil	Nil	Nil
Fullerton India Credit Co. Ltd	GECL Term Loan	5.79	-	14.00%	48 Months	Nil	Nil	Nil
Yes Bank Ltd	GECL Term Loan	15.84	-	10.65%	48 Months	Nil	Nil	Nil

I.3.2. Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

I.3.3 The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

**Annexure - I.4**

**Restated Statement of Deferred Tax Liability**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Deferred Tax Liability</b>				
Opening liability	9.69	10.60	7.14	3.87
Differences in depreciation as per tax books and financial books	(3.14)	(0.91)	3.46	3.28
<b>Total</b>	<b>6.55</b>	<b>9.69</b>	<b>10.60</b>	<b>7.14</b>

**Annexure - I.5**

**Restated Statement of Other Non-current liabilities**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Retention money	126.60	87.45	61.82	-
<b>Total</b>	<b>126.60</b>	<b>87.45</b>	<b>61.82</b>	<b>-</b>

**Annexure - I.6**

**Restated Statement of Long Term Provision**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Provision for Gratuity	4.50	3.38	4.82	4.09
<b>Total</b>	<b>4.50</b>	<b>3.38</b>	<b>4.82</b>	<b>4.09</b>

Annexure - I.7

Restated Statement of Short Term Borrowings

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Loan repayable on demand</b>				
(a) From Banks	992.27	648.68	586.88	209.16
(b) From financial institutions	362.10	91.75	89.81	31.82
(c) Current Maturities of long term debts from banks and FI	87.56	93.67	88.64	150.45
<b>Total Borrowings</b>	<b>1,441.93</b>	<b>834.10</b>	<b>765.33</b>	<b>391.44</b>
<b>Secured loans</b>				
From banks and Financial Institution	992.27	648.68	586.88	209.16
Current Maturities of long term debts	31.30	4.77	-	4.02
<b>Unsecured loans</b>				
From banks and Financial Institutions	362.10	91.75	89.81	31.82
Current Maturities of long term debts	56.26	88.91	88.64	146.44
<b>Total Borrowings</b>	<b>1,441.93</b>	<b>834.10</b>	<b>765.33</b>	<b>391.44</b>

Note:-

Additional information to Short term Borrowings:

Lender	Nature of Loan	Sanctioned Amount (Rs. In Lakhs)	Outstanding as on 31/03/2024 (Rs. In Lakhs)	Rate of Interest per annum	Period of Repayment	Primary Security	Collateral Security	
							Immovable Property	Guarantee
State Bank of India	Cash Credit	1,000.00	992.27	11.15% (EBLR + 2.00%)	-	Hypothecation of Stock, Book Debts and all Other Current assets of the firm	All the Immovable Property Beriang No. 6P., 7P., & 12 P, situated at 80, Baleshwar Upwan Bunglows , Flat No.-C-301, Office no. 312, 340, 347 and 397/A , 454/1 , Entire 1st and 4th floor of building named as * Sri lakshmi Nilayam*(Details as per Sanctioned Letter)	Personal Guarantee of. Mr. Rajagopal Reddy Mrs. Mydhili Rajagopal Reddy Mrs. Hansa Chaudhary Mrs. Meenaben Chaudhary
Aditya Birla	Business Instalment loan Over Draft	40.00	11.26	16.00%	36 Months	Nil	Nil	Nil
Bsaj Finance	Hybrid Flexi loan	36.16	0.96	16.50%	60 Months	Nil	Nil	Nil
L&T Finance	Drop Down OD	40.00	10.08	16.00%	36 Months	Nil	Nil	Nil
TATA Capital	Drop Down OD	50.00	12.74	15.75%	48 Months	Nil	Nil	Nil
OXYZO Financial Services Priv	Purchase Financing	225.00	227.04	utilized amount for the number of utilized days	120 Days from the date of each draw	Nil	Nil	Nil
Ratna finance	Business Term Loan	100.00	100.00	13.00%	Interest monthly and principal Quaterly	Nil	Nil	Nil

Current maturities of long term debts

(₹ in Lakhs)

Lender	Nature of Loan	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
HDFC Bank	Business Term Loan	13.45	11.59	9.98	15.34
HDFC First Bank Ltd	Business Term Loan	17.77	15.16	19.76	16.86
AU Small Finance Bank	Construction Equipment Loan	5.22	4.77	-	-
State Bank of India	GECL Term Loan	18.24	3.57	20.67	19.33
Standred Chartred Bank	ECLGS Term Loan	5.79	11.14	9.70	8.44
AU Small Finance Bank	Construction Equipment Loan	5.03	-	-	-
Standred Chartred Bank	Business Term Loan	19.25	1.82	5.27	4.45
PNB	Vehicle Loan	2.82	-	-	-
Ratna finance	Business Term Loan	-	-	-	-
Deutsche Bank AG	GECL Term Loan	-	2.55	19.53	16.44
Standred Chartred Bank	Business Term Loan	-	6.24	-	-
HDFC Bank	GECL Term Loan	-	-	2.01	1.40
Deutsche Bank AG	GECL Term Loan	-	-	1.72	0.81
HDFC	Vehicle Loan	-	-	-	2.27
HDFC	Vehicle Loan	-	-	-	1.75
Aditya Birla	Business Term Loan	-	-	-	9.35
Aditya Birla	GECL Term Loan	-	-	-	1.11
ICICI	Business Term Loan	-	-	-	13.30
ICICI	GECL Term Loan	-	-	-	1.14
State Bank of India	WCTL	-	-	-	15.50
TATA Capital	Business Term Loan	-	-	-	10.23
Fullerton India Credit Co. Ltd	Business Term Loan	-	-	-	9.58
Fullerton India Credit Co. Ltd	GECL Term Loan	-	-	-	0.46
Yes Bank Ltd	GECL Term Loan	-	-	-	2.69
L&T Finance	OD	-	36.83	-	-
<b>Total</b>		<b>87.56</b>	<b>93.67</b>	<b>88.64</b>	<b>150.45</b>

Notes:

- Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

Working capital loan taken from State Bank of India is secured by way of:

- Primary security on Stocks, Book debts and all other current asset of the Company.
- Collateral security on Immovable properties which are in the name of Mr. Rajagopal Reddy, Mrs. Mydhili Reddy, Mrs. Hansa Chaudary and Mrs. Meenaben Chaudary.
- Personal guarantee of Mr. Rajagopal Reddy, Mrs. Mydhili Reddy, Mrs. Hansa Chaudary and Mrs. Meenaben Chaudary

**Annexure - I.8**

**Restated Statement of Trade Payable**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Micro, Small and Medium Enterprises	32.77	-	-	-
Others	2,137.19	598.13	122.63	269.92
<b>Total</b>	<b>2,169.95</b>	<b>598.13</b>	<b>122.63</b>	<b>269.92</b>

**(a) Ageing schedule:**

**Balance as at 31st March, 2024**

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed MSME	30.77	-	-	-
(ii) Undisputed Others	2,137.19	-	-	-
(iii) Disputed dues - MSME	-	-	-	2.00
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>2,167.95</b>	<b>-</b>	<b>-</b>	<b>2.00</b>

**Balance as at 31st March, 2023**

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed MSME	-	-	-	-
(ii) Undisputed Others	598.13	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>598.13</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Balance as at 31st March 2022**

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed MSME	-	-	-	-
(ii) Undisputed Others	122.63	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>122.63</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Balance as at 31st March 2021**

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed MSME	-	-	-	-
(ii) Undisputed Others	269.92	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>269.92</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(b) Dues payable to Micro and Small Enterprises:**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Principal amount remaining unpaid to any supplier as at the year end	32.77	-	-	-
Interest due on the above mention principal amount remaining unpaid to any	-	-	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-	-
Amount of the interest due and payable for the period of delay in making	-	-	-	-
payment but without adding the interest specified under the MSMED Act	-	-	-	-
Amount of interest accrued and remain unpaid at the end of the accounting	-	-	-	-

\* The information regarding micro and small enterprises has been identified on the basis of information available with the Company. Based on the information available with the company, there are no micro and small enterprises to whom the company has paid interest or any interest payable on outstanding (under the provisions of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006) during the year ended March 31, 2024.

**Annexure - I.9**

**Restated Statement of Other Current Liabilities**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Interest accrued but not due on borrowings	0.67	2.41	2.15	4.48
Interest accrued and due on borrowings	3.87	-	-	-
Statutory liabilities	23.00	14.65	8.03	32.02
Salary Payable	15.49	14.81	10.64	23.33
Retention money	27.65	84.50	-	-
<b>Total</b>	<b>70.68</b>	<b>116.36</b>	<b>20.82</b>	<b>59.82</b>

**Annexure - I.10**

**Restated Statement Short Term Provisions**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Provision for Gratuity	0.19	0.19	0.35	0.20
Provision for tax	22.10	-	-	20.46
<b>Total</b>	<b>22.29</b>	<b>0.19</b>	<b>0.35</b>	<b>20.66</b>

**VL INFRA PROJECTS LIMITED**  
(formerly also known as VL INFRA PROJECTS PRIVATE LIMITED)  
U45200GJ2014PLC081602

**NOTE L.11: PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS**

(₹ In Lakhs)

Particulars	Property, plant and equipments and Capital WIP								
	Plant & Machinery	Furniture & Fixtures	Office Equipment	Vehicles	Computers & Data Processing Units	Building	Temporary Structure	Freehold land	Total
<b>Gross Carrying amount as at 1st April, 2020 (A)</b>	8.23	5.49	5.76	44.20	2.21	75.91	8.53	-	150.32
Additions	30.10	9.34	0.21	-	1.19	-	35.98	-	76.81
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31st March, 2021 (B)</b>	38.32	14.83	5.97	44.20	3.39	75.91	44.50	-	227.13
Additions	-	-	-	-	0.65	-	49.02	-	49.67
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31st March, 2022 (C)</b>	38.32	14.83	5.97	44.20	4.04	75.91	93.53	-	276.80
Additions	0.96	-	0.54	26.78	-	-	-	-	28.27
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31st March, 2023 (D)</b>	39.28	14.83	6.51	70.98	4.04	75.91	93.53	-	305.08
Additions	10.18	2.01	10.99	37.37	6.25	-	1.99	131.44	200.23
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31st March, 2024 (E)</b>	49.46	16.84	17.50	108.34	10.30	75.91	95.51	131.44	505.30
<b>Accumulated Depreciation as at 1st April, 2020 (F)</b>	2.74	1.17	2.21	15.02	2.11	2.15	8.53	-	33.93
Depreciation for the year	2.90	1.23	1.03	4.79	0.24	1.27	0.36	-	11.83
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at 31st March, 2021 (E)</b>	5.64	2.40	3.24	19.82	2.36	3.41	8.89	-	45.76
Depreciation for the year	4.79	1.48	0.90	4.79	0.56	1.27	20.95	-	34.73
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at 31st March, 2022 (F)</b>	10.43	3.88	4.14	24.61	2.92	4.68	29.84	-	80.49
Depreciation for the year	4.81	1.48	0.73	5.96	0.61	1.27	23.19	-	38.04
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at 31st March, 2023 (G)</b>	15.23	5.37	4.87	30.57	3.53	5.94	53.03	-	118.53
Depreciation for the year	5.73	1.50	1.40	9.19	1.22	1.27	28.68	-	48.98
Disposals/Deletions	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at 31st March, 2024 (H)</b>	20.96	6.87	6.26	39.76	4.75	7.21	81.71	-	167.51
<b>Net Carrying amount as at 31st March, 2021 (B)-(G)</b>	32.68	12.43	2.73	24.38	1.04	72.49	35.62	-	181.37
<b>Net Carrying amount as at 31st March, 2022 (B)-(F)</b>	27.90	10.95	1.83	19.58	1.13	71.23	63.69	-	196.31
<b>Net Carrying amount as at 31st March, 2023 (C)-(G)</b>	24.05	9.47	1.64	40.41	0.52	69.96	40.50	-	186.54
<b>Net Carrying amount as at 31st March, 2024 (D)-(H)</b>	28.50	9.97	11.24	68.59	5.55	68.70	13.81	131.44	337.80

**Capital Work-in-Progress**

(₹ In Lakhs)

Financial Year	Gross Block				Accumulated Depreciation				Net Block
	Opening	Additions	Put to Use	Total	Opening	Depreciation charge for the year	On disposals	Total	Closing Balance
1st April 2020 to 31st March 2021	-	33.59	-	33.59	-	-	-	-	33.59
1st April 2021 to 31st March 2022	33.59	-	33.59	-	-	-	-	-	-
1st April 2022 to 31st March 2023	-	-	-	-	-	-	-	-	-
1st April 2023 to 31st March, 2024	-	60.03	-	60.03	-	-	-	-	60.03

**Details of Capital Work in Progress held by the company during the financial year 2023-2024:**

CWIP	Amount in CWIP For a Period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	60.03	-	-	-	60.03

**Details of Capital Work in Progress held by the company during the financial year 2020-2021:**

CWIP	Amount in CWIP For a Period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	33.59	-	-	-	33.59

Annexure - I.12					
Restated Statement of Other Non Current Assets					
(₹ in Lakhs)					
Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021	
Security deposit	1.76	0.71	0.43	0.43	
Margin money deposits with more than 12 months Maturity	-	64.38	12.67	28.45	
<b>Total</b>	<b>1.76</b>	<b>65.09</b>	<b>13.10</b>	<b>28.88</b>	
Annexure - I.13					
Restated Statement of Current Investments					
(₹ in Lakhs)					
Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021	
<b>Trade investments (valued at cost)</b>					
Investment in Mutual funds (Fair Value of Investment 10,03,398.00 )	-	10.00	25.00	-	
<b>Total</b>	<b>-</b>	<b>10.00</b>	<b>25.00</b>	<b>-</b>	
Annexure - I.14					
Restated Statement of Inventories (Valued at Cost or NRV which ever is lower)					
(₹ in Lakhs)					
Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021	
a. Raw Materials and components	301.99	281.63	189.69	162.42	
<b>Total</b>	<b>301.99</b>	<b>281.63</b>	<b>189.69</b>	<b>162.42</b>	
Annexure - I.15					
Restated Statement of Trade receivables					
(₹ in Lakhs)					
Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021	
Undisputed, Considered good	1,663.41	758.48	531.58	565.16	
Undisputed, Considered doubtful	-	-	-	-	
<b>Total</b>	<b>1,663.41</b>	<b>758.48</b>	<b>531.58</b>	<b>565.16</b>	
Age of receivables					
(₹ in Lakhs)					
As At 31/03/2024					
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	1,663.41	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>1,663.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As At 31/03/2023					
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	728.25	-	-	-	30.24
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>728.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30.24</b>
As at 31/03/2022					
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	493.84	-	-	37.74	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>493.84</b>	<b>-</b>	<b>-</b>	<b>37.74</b>	<b>-</b>
As at 31/03/2021					
Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	527.43	-	37.74	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>527.43</b>	<b>-</b>	<b>37.74</b>	<b>-</b>	<b>-</b>

<b>Annexure - I.16</b>				
<b>Restated Statement of Cash and Bank Balance</b>				
<b>(₹ in Lakhs)</b>				
<b>Particulars</b>	<b>As At 31/03/2024</b>	<b>As At 31/03/2023</b>	<b>As At 31/03/2022</b>	<b>As At 31/03/2021</b>
<b>Cash and Cash Equivalents</b>				
Bank Balance				
(i) In current accounts	13.02	1.04	-	8.10
(ii) In foreign currency account	-	-	-	-
Cash on Hand	0.46	-	0.42	1.00
Other bank balances				
Margin money deposits with more than 3 Months and less than 12 months Maturity	164.71	33.06	21.50	-
<b>Total</b>	<b>178.19</b>	<b>34.10</b>	<b>21.91</b>	<b>9.10</b>
<b>Annexure - I.17</b>				
<b>Restated Statement of Short Term Loans And Advances</b>				
<b>(₹ in Lakhs)</b>				
<b>Particulars</b>	<b>As At 31/03/2024</b>	<b>As At 31/03/2023</b>	<b>As At 31/03/2022</b>	<b>As At 31/03/2021</b>
<b>A) Loans and Advances to others</b>				
Tax deduction at source	-	-	25.48	54.96
Advances recoverable in cash or kind	43.53	21.84	-	-
Advance income tax (net of provision for income tax)	-	59.18	119.70	44.42
Prepaid expenses	23.72	15.90	-	-
Balances with government authorities	182.70	111.72	27.13	5.74
MAT credit entitlements	-	-	22.16	37.04
<b>Total</b>	<b>249.95</b>	<b>208.65</b>	<b>194.47</b>	<b>142.16</b>
<b>Annexure - I.18</b>				
<b>Restated Statement of Other current assets</b>				
<b>(₹ in Lakhs)</b>				
<b>Particulars</b>	<b>As At 31/03/2024</b>	<b>As At 31/03/2023</b>	<b>As At 31/03/2022</b>	<b>As At 31/03/2021</b>
Unbilled revenue (Value of work done, not yet certified by debtors)	2,892.78	1,253.24	768.38	492.49
Interest accrued on fixed deposits and others	5.49	2.76	0.89	13.59
Earnest money deposit	-	35.74	-	-
Other receivables	-	-	14.07	12.54
<b>Total</b>	<b>2,898.27</b>	<b>1,291.74</b>	<b>783.34</b>	<b>518.62</b>



<b>Annexure - II.1</b>				
<b>Restated Statement of Revenue from operations</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
<b>Revenue From Contracts with Customers</b>				
<b>Sales of Services</b>				
Work Contract Services	10,396.79	4,349.66	3,555.34	3,018.28
<b>Sale of Products</b>	996.37	206.04	-	-
<b>Other Operating Revenue</b>				
Technical and Professional Services	-	-	-	53.80
<b>Total</b>	<b>11,393.16</b>	<b>4,555.70</b>	<b>3,555.34</b>	<b>3,072.08</b>
<b>*Note: Geographical Revenue Bifurcation</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Telangana	719.30	499.33	670.61	617.45
Gujarat	10,223.99	3,884.00	566.33	496.86
Karnataka		7.22	384.20	720.52
Maharastra	60.03	25.82	345.44	203.83
Madhya Pradesh	389.85	139.32	705.86	605.10
Jharkhand		-	398.73	163.72
Uttarpradesh		-	484.18	173.80
Delhi		-	-	90.79
<b>Total</b>	<b>11,393.16</b>	<b>4,555.70</b>	<b>3,555.34</b>	<b>3,072.08</b>
<b>*Note: Service-Wise Revenue Bifurcation</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Water Pipeline Construction	8,992.62	3,324.80	1,770.10	1,754.06
Irrigation Projects	296.88	-	-	9.33
Road Construction	684.87	525.52	1,114.64	20.37
Building Construction	422.43	499.33	670.61	1,045.76
Power and Civil		-	-	188.76
Technical Services		-	-	53.80
<b>Total</b>	<b>10,396.79</b>	<b>4,349.66</b>	<b>3,555.34</b>	<b>3,072.08</b>
<b>*Note: Product-Wise Revenue Bifurcation</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Sale of Construction Materials	996.37	206.04	-	-
<b>Total</b>	<b>996.37</b>	<b>206.04</b>	<b>-</b>	<b>-</b>
<b>Annexure - II.2</b>				
<b>Restated Statement of Other income</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Interest on Income tax refund	-	5.35	-	-
Interest Income	6.69	4.06	5.36	5.49
Other Misc Income	0.20	0.04	-	-
<b>Total</b>	<b>6.89</b>	<b>9.44</b>	<b>5.36</b>	<b>5.49</b>
<b>Annexure - II.3</b>				
<b>Restated Statement of Cost of materials consumed</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Inventories at the beginning of the year	281.63	189.69	162.42	175.18
Add: Purchases during the year	6,661.43	2,534.84	1,513.10	1,215.44
Less: Closing stock at the end of the year	301.99	281.63	189.69	162.42
<b>Cost of materials consumed</b>	<b>6,641.07</b>	<b>2,442.90</b>	<b>1,485.83</b>	<b>1,228.20</b>

<b>Annexure - II.4</b>				
<b>Restated Statement of Purchases of stock-in-trade</b>				
<b>(₹ in Lakhs)</b>				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Purchases of stock-in-trade	828.41	204.00	-	-
<b>Purchases of stock-in-trade</b>	<b>828.41</b>	<b>204.00</b>	<b>-</b>	<b>-</b>
<b>Annexure - II.5</b>				
<b>Restated Statement of Employee benefits expense</b>				
<b>(₹ in Lakhs)</b>				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
(a) Salaries and wages	136.01	114.35	99.77	111.67
(b) Staff welfare expenses	6.48	3.87	2.49	2.08
(c) Contributions to Provident and other funds	3.83	2.48	2.41	2.06
(d) Provision for Gratuity	1.12	(1.59)	0.88	4.29
<b>Total</b>	<b>147.44</b>	<b>119.11</b>	<b>105.55</b>	<b>120.09</b>

<b>Annexure - II.6</b>				
<b>Restated Statement of Finance costs</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Interest Expense	171.84	123.62	108.65	110.50
Other borrowing costs; bank Charges	24.72	10.47	21.52	10.44
<b>Total</b>	<b>196.56</b>	<b>134.09</b>	<b>130.16</b>	<b>120.94</b>
<b>Annexure - II.7</b>				
<b>Restated Statement of Other expenses</b>				
(₹ in Lakhs)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
Consumption of stores and spares	163.96	211.58	114.63	49.72
Hire charges	45.86	11.99	26.66	50.61
Masonry charges	123.24	257.82	500.98	348.56
Legal and professional fees	7.59	4.30	6.27	6.53
Power and fuel	0.97	0.75	0.72	0.97
Freight charges	11.35	5.60	6.44	4.78
Rent	10.25	5.53	7.27	9.54
Rates and taxes	85.80	46.68	19.36	18.49
Insurance	4.16	1.44	2.12	0.32
Tender expenses	0.32	5.29	1.39	1.72
Repairs and maintenance others	17.62	10.70	6.87	4.69
Business promotion	0.15	0.04	0.29	0.09
Travelling and conveyance	6.21	2.79	1.76	1.67
Communication costs	1.44	0.52	0.87	0.63
Printing and stationery	1.92	1.15	1.05	0.57
Office maintenance	9.14	5.35	4.22	4.04
Indirect Expense	2.60	3.02	-	-
Subcontract Expense	2,189.75	742.13	947.97	974.29
Audit fee	3.50	1.25	1.25	1.00
Prior period expense	-	-	-	-
<b>Total (A+B+C)</b>	<b>2,685.81</b>	<b>1,317.91</b>	<b>1,650.14</b>	<b>1,478.24</b>
<b>(i) Payments to the auditors comprises</b>				
- As Auditors	3.50	1.25	1.25	1.00
- Other services	-	-	-	-
<b>(ii) Expenditure on Corporate Social Responsibility</b>				
Gross Amt. required to be spent by the Company during the period	-	-	-	-
Amount spent in cash during the year	-	-	-	-
<b>Annexure - II.8</b>				
<b>Restated Statement of Earning Per Equity Share</b>				
(₹ in lakhs, except per share data)				
<b>Particulars</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
<b>Before Exceptional Itmes</b>				
1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs)	614.01	222.66	110.58	83.37
2. Weighted Average number of equity shares [Original]	11,302,500	6,851,877	2,740,000	2,740,000
3. Weighted Average number of equity shares used as denominator for calculating EPS (After considering Bonus impact with retrospective effect)	11,302,500	10,619,377	10,617,500	10,617,500
4. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)	5.43	2.10	1.04	0.79

ANNEXURE-IV

**Summary of significant accounting policies**

**a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Property, Plant and equipment**

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of Property, Plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

**c. Depreciation**

Depreciation on Property, Plant and Equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management which coincides with the rates prescribed under Schedule II to the Companies Act, 2013.

The Company has used the following rates to provide depreciation on its Property, Plant and Equipment.

Asset Description	Useful lives estimated by the Management (years)
Plant and equipment	8
Vehicles	8 to 10
Furniture & Fixtures	10
Office Equipment	5
Temporary structures	2
Computers	3

**d. Impairment of tangible and intangible assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the assets recoverable amount. An asset recoverable amount is higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. the recoverable amount is determined for and individual asset, unless the asset doesnot generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. in assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. After impairment, depreciation is provided and the revised carrying amount of the asset over its remaining useful life.

**e. Inventories**

Raw Materials, components, stores and spares are valued at lower of cost and net realizable value.

Cost is determined on a First in First out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Cost of inventories comprise of all costs of purchases, costs of conversion and other costs incurred in bringing them to their respective present location and condition. Stock of construction materials, stores, spares and oil and lubricants as certified by the management have been valued at cost.

**f. Revenue recognition**

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.

**Revenue from contracts:**

Revenue and costs associated there with have been recognised in accordance with AS 7 Constructions Contracts.

Revenue from Construction contracts is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage of completion method. The stage of completion of contracts is measured by reference to the proportion that contract cost incurred for work performed up to the reporting date bear to the estimated total contract cost for each contract.

An expected loss on construction contract is recognised as an expense immediately and it is certain that the total contract cost will exceed the total contract revenue.

Incentive payments, as per the customer specified performance standards, are included in the contract revenue only when:

- a. The contract is sufficiently advanced that it is probable that the specified performance standards will be met; and
- b. The amount incentive payment can be measured reliably.

**Revenue from Rendering of Services:**

Revenue from service transactions is usually recognised as the service is performed. There are two methods of recognition of revenue from service transaction, Proportionate Completion Method and Completed Service Contract Method company recognises its revenue as per Proportionate completion method.

**Proportionate Completion Method is a method of accounting which recognises revenue in the statement of profit and loss proportionately with the degree of completion of services under a contract. Here performance consists of the execution of more than one act. Revenue is recognised proportionately by reference to the performance of each act.**

**g. Income taxes**

Tax expenses comprises of current and deferred tax. Current income tax has been measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized 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.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of 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.

**h. 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 preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue.

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.

**i. Provisions**

A provision has been recognized in respect of a present obligation as a result of past event i.e. based on the probability of there being an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions have not been discounted to its present value and have been determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**j. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprises of cash at bank and in hand and short-term investments with an original maturity of three months or less.

**k. Investments**

- i. Long-term investments are valued at cost less provision for diminution, if any, in value of such investments.
- ii. Current investments are valued at lower of cost and fair market value.

ANNEXURE –V

Notes to the Re-stated Financial Statements:

I. Additional regulatory information

(a) Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency for the year ended on March 31, 2024, 2023, 2022 & 2021. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(b) Undisclosed income

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(c) Relationship with struck off companies

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended on March 31, 2024, 2023, 2022 & 2021.

(d) Compliance with numbers of layers of companies

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 for the year ended on March 31, 2024, 2023, 2022 & 2021.

(e) Utilisation of borrowed funds and share premium

For the year ended on March 31, 2024, 2023, 2022 & 2021 the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

For the year ended on March 31, 2024, 2023, 2022 & 2021, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(f) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(g) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

II. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

III. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

IV. Material Adjustments in Restated Profit & Loss Account:

(₹ in Lakhs)

Particulars	For the Period Ended			
	31/03/2024	31/03/2023	30/03/2022	31/03/2021
<b>Profit After Tax as per Books of Accounts</b>	<b>610.80</b>	<b>221.43</b>	<b>105.26</b>	<b>94.01</b>
Adjustment for provision of Gratuity	3.58	1.59	(0.88)	(4.29)
Adjustment for provision of Income Tax	(1.02)	(0.40)	0.54	0.00
Adjustment for provision of Deferred Tax	0.65	0.04	5.66	(6.35)
<b>Profit After Tax as per Restated</b>	<b>614.02</b>	<b>222.66</b>	<b>110.58</b>	<b>83.37</b>

(₹ in Lakhs)

Particulars	For the Period Ended			
	31/03/2024	31/03/2023	30/03/2022	31/03/2021
<b>Reserves and surplus as per Books of Accounts</b>	<b>506.63</b>	<b>272.59</b>	<b>461.62</b>	<b>356.90</b>
Adjustment for provision of Gratuity	3.58	1.59	(0.88)	(4.29)
Adjustment for provision of Income Tax	(1.02)	(0.40)	1.08	0.00
Adjustment for provision of Deferred Tax	0.65	0.04	5.66	(6.35)
Adjustment in opening balance	(4.09)	(5.32)	(10.64)	-
<b>Reserves and surplus as per Restated</b>	<b>505.76</b>	<b>268.50</b>	<b>456.84</b>	<b>346.26</b>

**V. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2024, 2023, 2022 & 2021 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

**VI** As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived after such deductions.

**VI. Corporate Social Responsibility :**  
Corporate Social Responsibility (CSR) is not applicable to the Company and hence details not provided.

**VII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**  
Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**VIII. Re-grouping/re-classification of amounts**  
The figures have been grouped and classified wherever they were necessary.

**IX. Examination of Books of Accounts & Contingent Liability**  
The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

**X. Director Personal Expenses**  
There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**XI. Deferred Tax Asset / Liability: [AS-22]**  
The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

**XII. Disclosure under AS - 15 Employee Benefits**  
The benefits payable under this plan are governed by "Gratuity Act 1972". Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the member's length of services and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the summary statement of profit or loss and the funded status and amounts recognised in the statement of assets and liabilities for the respective plans:

Particulars	(₹ in Lakhs)			
	As on 31st March, 2024	As on 31st March, 2023	As on 31st March 2022	As on 31st March, 2021
<b>Components of Employer Expense</b>				
Current Service Cost	1.24	1.08	1.03	4.29
Interest Cost	0.26	0.36	0.29	-
Expected return on Plan Assets	-	-	-	-
Actuarial Losses/(gains)	(0.39)	(3.03)	(0.44)	-
Past Service Cost				
<b>Total Expense recognised in the Statement of Profit &amp; Loss.</b>	<b>1.12</b>	<b>(1.59)</b>	<b>0.88</b>	<b>4.29</b>
<b>Actual contribution and benefit payments for year</b>				
Actual Benefit Payments	-	-	-	-
Actual Contributions	-	-	-	-
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>				
Present Value of Defined Benefit Obligation	4.70	3.58	5.17	4.29
Fair Value of Plan Assets	-	-	-	-
Unrecognised Past Service Cost	-	-	-	-
<b>Net Asset/(Liability) recognised in the Balance Sheet</b>	<b>4.70</b>	<b>3.58</b>	<b>5.17</b>	<b>4.29</b>



<b>Change in defined benefit obligations (DBO) during the year</b>				
Present value of DBO at beginning of the Year	3.58	5.17	4.29	-
Current Service Cost	1.24	1.08	1.03	4.29
Interest Cost	0.26	0.36	0.29	-
Expected return on Plan Assets	-	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.39)	(3.03)	(0.44)	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	-	-	-	-
<b>Present Value of DBO at the end of the year</b>	<b>4.70</b>	<b>3.58</b>	<b>5.17</b>	<b>4.29</b>
<b>Change in Fair Value of Assets during the year</b>				
Plan Assets at beginning of the year	-	-	-	-
Expected return on Plan Assets	-	-	-	-
Actual Company Contributions	-	-	-	-
Actuarial Gain/(Loss)	-	-	-	-
Benefits Paid	-	-	-	-
<b>Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bifurcation of Present Value of Obligation at the end of the year with respect to provisions of the Companies Act,2013</b>				
Current Liability (Amount due within One year)	0.19	0.19	0.35	0.20
Non-Current Liability (Amount due over One year)	4.50	3.38	4.82	4.09
<b>Present Value of Obligation as at the end of the Period</b>	<b>4.70</b>	<b>3.58</b>	<b>5.17</b>	<b>4.29</b>
<b>Actuarial Assumptions</b>				
<b>Economics</b>				
Discount Rate	7.20%	7.50%	7.25%	6.85%
Expected Return on Plan Assets	NA	NA	NA	NA
Salary Escalation	7.00%	7.00%	7.00%	7.00%
<b>Demographic</b>				
Retirement Age	60 years	60 years	60 years	60 years
Attrition Rate				
For 0 years to 4 years				
5 years and above				
Mortality Rate	As per Standard table Indian Assured Lives Mortality(2012-14) ultimate	As per Standard table Indian Assured Lives Mortality(2012-14) ultimate	As per Standard table Indian Assured Lives Mortality(2012-14) ultimate	As per Standard table Indian Assured Lives Mortality(2012-14) ultimate
<b>XIII. Disclosure as per AS-7 on Construction contracts</b>	<b>(₹ in Lakhs)</b>			
	<b>As on</b>	<b>As on</b>	<b>As on</b>	<b>As on</b>
<b>Particulars</b>	<b>31st March, 2024</b>	<b>31st March, 2023</b>	<b>31st March 2022</b>	<b>31st March, 2021</b>
Revenue from construction contracts	10,396.79	4,349.66	3,555.34	3,018.28
Contract cost incurred and recognized gross profit or Losses up to reporting date of contracts in progress	17,381.74	5,711.65	5,364.41	4,248.43
Advances received for contracts in progress	-	-	-	-
Retention Money for contracts in progress	421.13	230.00	230.00	203.46
Gross amount due from customers for contract work shown as an asset	2,892.78	1,253.24	768.38	492.49
Gross amount due to customers for contract work	-	-	-	-

XIV. Interest in Other Entities  
(A) Joint Operations (Unincorporated Entities)

The company's share of interest in joint operations is set out below:

S.no.	Name of the entity	% of ownership interest held by the company as at				Name of the joint Operator	Principal Place of business	Principal Activities
		31st March, 2024	31st March 2023	31st March 2022	31st March 2021			
1	KCC-VLIL (JV)	35%	35%	35%	35%	Krishna Constructions Company	Dhanpuri Dist. Madhya Pradesh	Dhanpuri Water Pipeline Work
2	HMEL-VLIL (JV)	20%	20%	-	-	H.M. Electro Mech Limited	Ahmedabad, Gujarat	Kudasan Water Pipeline Work
3	SPUN-VLIL (JV)	40%	40%	-	-	The spunpipe and construction co. Baroda pvt ltd.	Ahmedabad, Gujarat	Dhanduka Water Pipeline Work
4	VLIL-HMEL (JV)	60%	60%	-	-	H.M. Electro Mech Limited	Ahmedabad, Gujarat	Jalundara Water Pipeline Work
5	SPUN-VLIL (JV)	40%	-	-	-	The spunpipe and construction co. Baroda pvt ltd.	Ahmedabad, Gujarat	Sheela-Dholka Pack1 Water Pipeline Work
6	SPUN-VLIL (JV)	40%	-	-	-	The spunpipe and construction co. Baroda pvt ltd.	Ahmedabad, Gujarat	Dholka Pack2 Water Pipeline Work

ANNEXURE -VI					
Statement of Accounting & Other Ratios, As Restated					
(₹ in Lakhs)					
Particulars	31/03/2024	31/03/2023	30/03/2022	31/03/2021	
Net Profit as Restated	(A)	614.01	222.66	110.58	83.37
Add: Depreciation		48.99	38.04	34.73	11.83
Add: Interest on Loan		196.56	134.09	130.16	120.94
Add: Income Tax/ Deferred Tax		237.73	86.42	43.71	34.89
Less: Other Income		(6.89)	(9.44)	(5.36)	(5.49)
<b>EBITDA</b>		<b>1,090.40</b>	<b>471.77</b>	<b>313.82</b>	<b>245.55</b>
<b>EBITDA Margin (%)</b>		<b>9.57%</b>	<b>10.36%</b>	<b>8.83%</b>	<b>7.99%</b>
Net Worth as Restated	(B)	1,636.01	1,022.00	730.84	620.26
<b>Return on Net worth (%) as Restated</b>	<b>(A/B)</b>	<b>37.53%</b>	<b>21.79%</b>	<b>15.13%</b>	<b>13.44%</b>
Equity Share at the end of year (in Nos.)	(C)	11,302,500	7,535,000	2,740,000	2,740,000
<b>Weighted No. of Equity Shares (Pre-Bonus)</b>	<b>(D)</b>	<b>11,302,500</b>	<b>6,851,877</b>	<b>2,740,000</b>	<b>2,740,000</b>
<b>Weighted No. of Equity Shares (Post-Bonus)</b> (after considering Bonus Impact with retrospective effect)	<b>(E)</b>	<b>11,302,500</b>	<b>10,619,377</b>	<b>10,617,500</b>	<b>10,617,500</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated</b>	<b>(A/D)</b>	<b>5.43</b>	<b>3.25</b>	<b>4.04</b>	<b>3.04</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect</b>	<b>(A/E)</b>	<b>5.43</b>	<b>2.10</b>	<b>1.04</b>	<b>0.79</b>
Equity Share at the end of year (in Nos.)	(F)	11,302,500	7,535,000	2,740,000	2,740,000
<b>Equity Share at the end of year (in Nos.)</b> (after considering Bonus Impact with retrospective effect)	<b>(G)</b>	<b>11,302,500</b>	<b>11,302,500</b>	<b>10,617,500</b>	<b>10,617,500</b>
<b>Net Asset Value per Equity share as Restated</b>	<b>(B/C)</b>	<b>14.47</b>	<b>13.56</b>	<b>26.67</b>	<b>22.64</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect</b>	<b>(B/G)</b>	<b>14.47</b>	<b>9.04</b>	<b>6.88</b>	<b>5.84</b>

Note:-  
EBITDA Margin = EBITDA/Total Revenues  
Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year  
Return on Net worth (%) = Restated Profit after taxation / Net worth x 100  
Net asset value/Book value per share (₹) = Net worth / No. of equity shares  
The Company does not have any revaluation reserves or extra-ordinary items.  
The company has allotted Equity Shares as Bonus Share in the ratio of 2:1 on October 30, 2023.  
As per Accounting Standard 20 (AS - 20), In case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in resources. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.

Sr. No.	Ratio	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
1	Current Ratio	1.43	1.67	1.92	1.88
2	Debt-Equity Ratio	1.01	0.98	1.37	1.06
3	Debt Service Coverage Ratio	3.86	2.11	1.46	0.93
4	Return on Equity (ROE)(%)	46.20%	25.41%	16.37%	14.41%
5	Inventory Turnover Ratio	25.60	11.23	8.44	7.28
6	Trade receivables turnover ratio	9.41	7.06	6.48	6.61
7	Trade payables turnover ratio	5.41	7.60	7.71	3.84
8	Net capital turnover ratio	8.69	4.87	4.76	4.87
9	Net profit ratio(%)	5.39%	4.89%	3.11%	2.71%
10	Return on capital employed (ROCE)(%)	39.09%	22.97%	18.41%	20.24%
11	Return on investments(%)	4.06%	4.17%	15.69%	19.30%

Sr. No.	Ratio	As At 31/03/2024	Notes	As At 31/03/2023	Notes	As at March 31, 2022	Notes
1	Current Ratio	-14.41%		-13.11%		1.95%	
2	Debt-Equity Ratio	3.48%		-28.81%	Refer B-1	29.16%	Refer C-1
3	Debt Service Coverage Ratio	82.79%	Refer A-1	44.83%	Refer B-2	57.71%	Refer C-2
4	Return on Equity (ROE)(%)	81.85%	Refer A-2	55.21%	Refer B-3	13.59%	
5	Inventory Turnover Ratio	127.90%	Refer A-4	33.08%	Refer B-4	15.99%	
6	Trade receivables turnover ratio	33.21%	Refer A-4	8.93%		-1.98%	
7	Trade payables turnover ratio	-28.79%	Refer A-5	-1.42%		100.95%	Refer C-3
8	Net capital turnover ratio	78.56%	Refer A-6	2.12%		-2.09%	
9	Net profit ratio(%)	10.27%		57.15%	Refer B-5	14.60%	
10	Return on capital employed (ROCE)(%)	70.15%	Refer A-7	24.79%	Refer B-6	-9.05%	
11	Return on investments(%)	-2.60%		-73.43%	Refer B-7	-18.73%	

**Note : A Reasons for Variations:**  
1 Debt Service Coverage Ratio: It is due to increase in debts.  
2 Return on Equity (ROE)(%): The variance is due to increase in retained earnings  
3 Inventory Turnover Ratio : It is increased due to decreased in purchase stock in trade  
4 Trade receivables turnover ratio : It is decreased due to increase in Trade receivables  
5 Trade payables turnover ratio : It is decreased due to increase in Trade payables  
6 Net capital turnover ratio : It is decreased due to decreased in revenue from operation  
7 Return on capital employed (ROCE)(%):The variance is due to increase in capital employed

**Note : B Reasons for Variations:**  
1 Debt-Equity Ratio : It is decreased as the company has repaid its debt  
2 Debt Service Coverage Ratio: It is due to increase in debts.  
3 Return on Equity (ROE)(%): The variance is due to increase in retained earnings  
4 Inventory Turnover Ratio : It is increased due to decreased in purchase stock in trade  
5 Net profit ratio(%) :It is increased as overall operating profit of company is increased  
6 Return on capital employed (ROCE)(%):The variance is due to increase in capital employed  
7 Return on investments(%) : It is due to fixed deposit return on investment

**Note : C Reasons for Variations:**  
1 Debt-Equity Ratio : It is due to increase in debts  
2 Debt Service Coverage Ratio : It is increased as overall operating profit of company is increased  
3 Trade payables turnover ratio : It is increased due to decrease in Trade payables

**VL INFRA PROJECTS LIMITED**  
**(formerly also known as VL INFRA PROJECTS PRIVATE LIMITED)**  
**U45200GJ2014PLC081602**

**ANNEXURE –VII**

**Statement of Capitalization, As Restated**

**(₹ in Lakhs)**

<b>Particulars</b>	<b>Pre-Issue</b>	<b>Post Issue*</b>
	<b>31/03/2024</b>	
<b>Debt :</b>		
Long Term Debt	212.88	[●]
Short Term Debt	1,441.93	[●]
<b>Total Debt</b>	<b>1,654.81</b>	-
<b>Shareholders Funds</b>		
Equity Share Capital	1,130.25	[●]
Reserves and Surplus	505.76	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>1,636.01</b>	[●]
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.13</b>	[●]
<b>Total Debt / Shareholders Fund</b>	<b>1.01</b>	[●]

\*Note:-

- 1) "The post issue figures are as on 31.03.2024"
- 2) "The post issue figures are not available since issue price is not yet finalized"

**VL INFRA PROJECTS LIMITED**  
**(formerly also known as VL INFRA PROJECTS PRIVATE LIMITED)**  
**U45200GJ2014PLC081602**

<b>ANNEXURE –VIII</b>				
<b>Statement of Tax Shelter, As Restated</b>				<b>(₹ in Lakhs)</b>
<b>Particulars</b>	<b>As At</b>			
	<b>31/03/2024</b>	<b>31/03/2023</b>	<b>30/03/2022</b>	<b>31/03/2021</b>
<b>Profit Before Tax as per books of accounts (A)</b>	<b>851.74</b>	<b>309.08</b>	<b>154.28</b>	<b>118.26</b>
-- Normal Tax rate	27.82%	27.82%	27.82%	27.82%
-- Minimum Alternative Tax rate	16.69%	16.69%	16.69%	16.69%
<b>Permanent differences</b>				
Other adjustments	1.27	3.16	1.94	1.90
Prior Period Item		-	-	-
<b>Total (B)</b>	<b>1.27</b>	<b>3.16</b>	<b>1.94</b>	<b>1.90</b>
<b>Timing Differences</b>				
Depreciation as per Books of Accounts	48.99	38.04	34.73	11.83
Depreciation as per Income Tax	36.16	34.77	47.17	22.64
Difference between tax depreciation and book depreciation	12.83	3.27	(12.44)	(10.81)
Other adjustments	-	(1.59)	0.88	4.29
Deduction under chapter VI-A	-	-	-	-
<b>Total (C)</b>	<b>12.83</b>	<b>1.68</b>	<b>(11.56)</b>	<b>(6.52)</b>
<b>Net Adjustments (D = B+C)</b>	<b>14.09</b>	<b>4.84</b>	<b>(9.62)</b>	<b>(4.62)</b>
<b>Total Income (E = A+D)</b>	<b>865.84</b>	<b>313.92</b>	<b>144.67</b>	<b>113.64</b>
Brought forward losses set off (Depreciation)	-	-	-	-
Tax effect on the above (F)	-	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>865.84</b>	<b>313.92</b>	<b>144.67</b>	<b>113.64</b>
Tax & interest thereon Payable for the year	240.88	87.33	40.25	31.62
Tax payable as per MAT	142.17	51.59	25.75	19.74
Tax expense recognised	<b>240.88</b>	<b>87.33</b>	<b>40.25</b>	<b>31.62</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

ANNEXURE –IX

Statement of Related Party & Transactions :

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1)	Nageswara Rao Repuri	Key Managerial Personnel
2)	Rajagopal Reddy	Key Managerial Personnel
3)	R Nageswara Rao	Key Managerial Personnel
4)	Anjali Mukesh Samani	Key Managerial Personnel

(₹ in Lakhs)

Transactions during the year:	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022	For the year ended 31/03/2021
<b>Reimbursement of expenses</b>				
Mydhili Rajagopal Reddy	-	-	11.27	0.33
Rajagopal Reddy	8.62	9.56	19.69	19.65
R Nageswara Rao	7.91	21.13	1.94	0.76
<b>Vehicle Hire Charges</b>				
Mydhili Rajagopal Reddy	4.31	13.20	-	-
<b>Perquisites</b>				
Rajagopal Reddy	5.59	-	-	-
Mydhili Rajagopal Reddy	1.43	-	-	-
R Nageswara Rao	2.14	-	-	-
<b>Remuneration paid</b>				
Mydhili Rajagopal Reddy	9.84	9.84	9.84	15.18
Rajagopal Reddy	36.00	36.00	36.00	28.75
Anjali Mukesh Samani	1.99	-	-	-
R Nageswara Rao	11.25	-	-	-
<b>Closing Balance at the year end</b>	<b>For the year ended 31/03/2024</b>	<b>For the year ended 31/03/2023</b>	<b>For the year ended 31/03/2022</b>	<b>For the year ended 31/03/2021</b>
<b>Payables</b>				
Mydhili Rajagopal Reddy	0.50	0.62	0.67	1.94
Rajagopal Reddy	1.51	2.90	1.92	7.66
Anjali Mukesh Samani	0.43	-	-	-
R Nageswara Rao	2.27	0.21	3.59	0.76

ANNEXURE –X

**Statement of Dividends**  
No Dividend Paid till Date

ANNEXURE –XI

**Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period covered under audit except change in provision for gratuity.

ANNEXURE –XII

**Contingent Liabilities & Capital Commitment:**

Contingent Liabilities			(₹ in Lakhs)	(₹ in Lakhs)
	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
<b>Claims against the Company (including unasserted claims) not acknowledged as debt:</b>				
Gaurantees issued by Bank on behalf of the company	714.16	418.79	120.63	146.13
Taxation Litigation against the comapany	155.70	104.71	65.15	65.15
<b>Total</b>	<b>869.86</b>	<b>523.50</b>	<b>185.78</b>	<b>211.28</b>

Particulars			(₹ in Lakhs)	(₹ in Lakhs)
	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022	As At 31/03/2021
Capital Commitment	NIL	NIL	NIL	NIL



## OTHER FINANCIAL INFORMATION

### Statement of Accounting & Other Ratios, As Restated

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit as Restated <b>(A)</b>	614.01	222.66	110.58	83.37
Add: Depreciation	48.99	38.04	34.73	11.83
Add: Interest on Loan	196.56	134.09	130.16	120.94
Add: Income Tax/ Deferred Tax	237.73	86.42	43.71	34.89
Less: Other Income	(6.89)	(9.44)	(5.36)	(5.49)
<b>EBITDA</b>	<b>1,090.40</b>	<b>471.77</b>	<b>313.82</b>	<b>245.55</b>
<b>EBITDA Margin (%)</b>	<b>9.57%</b>	<b>10.36%</b>	<b>8.83%</b>	<b>7.99%</b>
Net Worth as Restated <b>(B)</b>	1,636.01	1,022.00	730.84	620.26
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>37.53%</b>	<b>21.79%</b>	<b>15.13%</b>	<b>13.44%</b>
Equity Share at the end of year (in Nos.) <b>(C)</b>	11302500	7535000	2740000	2740000
Weighted No. of Equity Shares (Pre-Bonus) <b>(D)</b>	11302500	7535000	2740000	2740000
Weighted No. of Equity Shares (Post-Bonus) (after considering Bonus Impact with retrospective effect) <b>(E)</b>	11302500	10619377	10617500	10617500
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>5.43</b>	<b>3.25</b>	<b>4.04</b>	<b>3.04</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b>	<b>5.43</b>	<b>2.10</b>	<b>1.04</b>	<b>0.79</b>
Equity Share at the end of year (in Nos.) <b>(F)</b>	11302500	7535000	2740000	2740000
Equity Share at the end of year (in Nos.) (after considering Bonus Impact with retrospective effect) <b>(G)</b>	11302500	11302500	10617500	10617500
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>14.47</b>	<b>13.56</b>	<b>26.67</b>	<b>22.64</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (B/G)</b>	<b>14.47</b>	<b>9.04</b>	<b>6.88</b>	<b>5.84</b>

#### Notes:-

- EBITDA Margin = EBITDA/Total Revenues
- Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year
- Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
- Net asset value/Book value per share (₹) = Net worth / No. of equity shares
- The Company does not have any revaluation reserves or extra-ordinary items.
- The company has allotted Equity Shares as Bonus Share in the ratio of 2:1 on October 30, 2023.
- As per Accounting Standard 20 (AS - 20), In case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in resources. The number of Equity Shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Red Herring Prospectus. You should also read the section entitled “Risk Factors” beginning on page 182, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year” or “FY”) are to the twelve-month period ended March 31 of that year.

The financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated July 13, 2024 which is included in this Red Herring Prospectus under the section titled “Restated Financial Information” beginning on page 182 of this Red Herring Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.

### BUSINESS OVERVIEW

Located at Ahmedabad, Gujarat, our company was founded by our visionary Promoter Cum Chairman and Managing Director & CEO, Mr. Rajagopal Reddy Annam Reddy. Our company is benefited from the extensive experience of our Promoters, Mr. Rajagopal Reddy Annam Reddy, Mrs. Mydhili Rajagopal Reddy and Mr. Nageswara Rao Repuri, having experience of more than 45 (Forty-Five) years. Our Board of Directors, Key Managerial Personnel and Senior Management Personnel has also provided significant contribution in the growth of our company.

The company is a Government Approved Contractor in “AA” Class with the Government of Gujarat, Civil/Electrical Contractor License from Karnataka State Public Works department, Special class registration in Government of Telangana and contractor registration in Government of Madhya Pradesh. The company provides designing, construction, and commissioning of various types of government projects especially in water infrastructure and irrigation segment.

The Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment’s (pumping machinery) for distribution of water supply from the river to household. We also provide operations & maintenance services for water distribution pipelines.

Our company began its operations focusing on water pipeline projects in Gujarat. We have since expanded our services to encompass all aspects of road construction, irrigation, water infrastructure, and environmental projects. We have locational presence in the state of Madhya Pradesh, Telangana, Maharashtra, and Gujarat. We are committed to maintaining the highest standards, the same is evident by the ISO 9001:2015 certification for quality management, ISO 14001:2015 certification for environmental management, and ISO 45001:2018 certification for occupational health and safety management systems.

### FINANCIAL KPIS OF OUR COMPANY

The financial performance of the company for last four financial years as per restated financial Statement:

(₹ in lakhs)

Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (₹ in Lakhs)	11,393.16	4,555.70	3,555.34	3,072.08
Growth in Revenue from Operations (%)	150.09	28.14	15.73	-
Gross Profit (₹ in Lakhs)	3,923.68	1,908.80	2,069.51	1,843.88
Gross Profit Margin (%)	34.44	41.90	58.21	60.02
EBITDA (₹ in Lakhs)	1,090.40	471.77	313.82	245.55
EBITDA Margin (%)	9.57	10.36	8.83	7.99
Profit After Tax (₹ in Lakhs)	614.01	222.66	110.58	83.37
PAT Margin (%)	5.39	4.89	3.11	2.71
RoE (%)	46.20	25.41	16.37	14.41

Particulars	For the Year ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
RoCE (%)	39.09	22.97	18.41	20.24
Net Fixed Asset Turnover (In Times)	43.46	23.80	18.83	20.63
Operating Cash Flows (₹ in Lakhs)	(175.36)	113.88	(243.73)	49.10

#### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET:

After the date of last audited financial statements i.e. March 31, 2024, the Directors of our Company confirm that, there have not been any significant material developments.

#### FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

Our Company's future results of operations could be affected potentially by the following factors:

- Cost of materials consumed
- General economic and market conditions in India
- Competition
- Natural Calamities e.g., Tsunami;
- Political Stability of the Country;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- The performance of the financial markets in India and globally;
- Our ability to expand our geographical area of operation;
- Dependency on performance of the joint venture partner in case of the projects undertaken through joint ventures.
- Timely completion of our projects is interdependent on the availability and performance of sub-contractors.
- Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties.

#### OUR SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies please refer Significant Accounting Policies and Notes to accounts, Annexure-IV beginning under Chapter titled "Restated Financial Information" beginning on page 182 of this Red Herring Prospectus.

#### PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Set forth below are the principal components of statement of profit and loss from our continuing operations:

##### Total Income

Our total income comprises of (i) revenue from operations and (ii) other income.

##### *Revenue from Operations*

Our company is engaged in the business of construction, laying and commissioning contracts in various infrastructure projects like water pipeline construction and irrigation, Building and road construction. Revenue from operations comprises of: (i) sale of services which includes Water Pipeline Construction, Road construction, Building construction, Irrigation; (ii) sale of products and (iii) other operating revenue comprising of technical and professional services.

##### *Other Income*

Other income includes (i) interest income, (ii) interest on income tax refund and (iii) other income.

##### Total Expense

Our expenses comprise of: (i) cost of material consumed; (ii) purchase of stock in trade; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation expense; and (vi) other expenses.

##### *Cost of Materials consumed*

Cost of materials consumed includes consumption of raw materials such as aggregate, cement, steel, pipes, valves, sand, ready-mix and other hardware items.

##### *Purchase of stock in trade*

Purchase of stock in trade includes purchase of product which are sold under revenue heading of sale of product.

#### **Employee benefits expense**

Employee benefits expenses primarily include (i) salary and wages, (ii) contribution to employee benefits (gratuity, provident fund and other funds) (iii) staff welfare expenses and (iv) Provision for Gratuity

#### **Finance cost**

Finance costs include interest expense incurred in relation to short term and long term borrowings of our company and other borrowing costs and Other borrowing costs; bank charges.

#### **Depreciation and Amortisation expenses**

Depreciation mainly includes depreciation on our building, temporary structure, vehicles, Computers, Plant & Machinery, Furniture and Fixtures, Computers & Data Processing Units and Office Equipments.

#### **Other Expenses**

Other expense mainly includes Consumption of stores and spares, Hire Charges, Masonry Charges, Repair and Maintenance expense, Power& Fuel charges, Freight, Tender expenses, Insurance Charges, Travelling Expenses, Rent Expense, Rates and Taxes, Sub Contract Expenses and other Expenses.

### **RESULTS OF OUR OPERATION**

The following table sets forth detailed total income data from our Restated Statement of profit and loss for the Financial Years 2024, 2023, 2022 and 2021, the components of which are also expressed as a percentage of total Income for such period.

(₹ in Lakhs)

Particular	March 31, 2024		March 31, 2023		March 31, 2022		March 31, 2021	
	₹ in Lakhs	% of Total Income	₹ in Lakhs	% of Total Income	₹ in Lakhs	% of Total Income	₹ in Lakhs	% of Total Income
Revenue from operations	11,393.16	99.94	4,555.70	99.79	3,555.34	99.85	3,072.08	99.82
Other Income	6.89	0.06	9.44	0.21	5.36	0.15	5.49	0.18
<b>Total Income</b>	<b>11,400.05</b>	<b>100.00</b>	<b>4,565.14</b>	<b>100.00</b>	<b>3,560.70</b>	<b>100.00</b>	<b>3,077.57</b>	<b>100.00</b>
<b>Expenses</b>								
Cost of material consumed	6,641.07	58.25	2,442.90	53.51	1,485.83	41.73	1,228.20	39.91
Purchase of stock-in-trade	828.41	7.27	204.00	4.47	-	-	-	-
Employee benefits expense	147.44	1.29	119.11	2.61	105.55	2.96	120.09	3.90
Depreciation and amortization expenses	48.99	0.43	38.04	0.83	34.73	0.98	11.83	0.38
Finance Costs	196.56	1.72	134.09	2.94	130.16	3.66	120.94	3.93
Other Expenses	2,685.83	23.56	1,317.91	28.87	1,650.14	46.34	1,478.24	48.03
<b>Total Expenses</b>	<b>10,548.31</b>	<b>92.53</b>	<b>4,256.06</b>	<b>93.23</b>	<b>3,406.42</b>	<b>95.67</b>	<b>2,959.30</b>	<b>96.16</b>
<b>Profit Before Extra-Ordinary Items and Tax</b>	<b>851.74</b>	<b>7.47</b>	<b>309.08</b>	<b>6.77</b>	<b>154.29</b>	<b>4.33</b>	<b>118.26</b>	<b>3.84</b>
Exceptional Items	-	-	-	-	-	-	-	-
<b>Profit before Tax</b>	<b>851.74</b>	<b>7.47</b>	<b>309.08</b>	<b>6.77</b>	<b>154.29</b>	<b>4.33</b>	<b>118.26</b>	<b>3.84</b>
Total tax expense	237.73	2.09	86.42	1.89	43.71	1.23	34.89	1.13
<b>Profit for the Year as Restated</b>	<b>614.01</b>	<b>5.39</b>	<b>222.66</b>	<b>4.88</b>	<b>110.58</b>	<b>3.11</b>	<b>83.37</b>	<b>2.71</b>

### **COMPARISON OF FINANCIAL YEAR 2023-24 WITH FINANCIAL YEAR 2022-23:**

#### **TOTAL INCOME:**

Our total income increased by 149.72% from ₹ 4,565.14 Lakhs in Financial Year 2022-23 to ₹ 11,400.05 Lakhs in Financial Year 2023-24, primarily due to an increase in our revenue from operations as discussed below:

#### Revenue from operations

Our company is engaged in the business of construction, laying and commissioning contracts in various infrastructure projects like water pipeline construction and irrigation, Building and road construction. The total revenue from operations increased by ₹ 6,837.47 lakhs being 150.09% for the FY 2023-24 to ₹ 11,393.16 lakhs as compared to ₹ 4,555.70 lakhs during the FY 2022-23. The increase was mainly attributable to increased revenue from our Water Pipeline Construction service from ₹ 3,324.8 lakhs in FY 2022-23 to ₹ 8,992.62 lakhs in FY 2023-24 representing growth of 170.47% and revenue from Irrigation Projects amounting to ₹ 296.88 lakhs in FY 2023-24 as compared to Nil revenue in FY 2022-23. Our company had received new projects in water pipeline construction during the FY 2023-24 which are fast moving and generate major portion of revenue in the initial stage of a project. There was sale of product amounts to ₹ 996.37 lakhs in Financial Year 2023-24 compared to ₹ 206.04 lakhs in FY 2022-23.

#### Revenue from operations:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount (₹ in Lakhs)	% of total revenue	Amount (₹ in Lakhs)	% of total revenue
Sale of services	10,396.79	91.25	4,349.66	95.48
Sale of products	996.37	8.75	206.04	4.52
<b>Total</b>	<b>11,393.16</b>	<b>100.00</b>	<b>4,555.70</b>	<b>100.00</b>

#### Service-Wise Revenue Bifurcation:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount (₹ in Lakhs)	% of total revenue	Amount (₹ in Lakhs)	% of total revenue
Water Pipeline Construction	8,992.62	86.49	3,324.80	76.44
Irrigation Projects	296.88	2.86	-	-
Road Construction	684.87	6.59	525.52	12.08
Building Construction	422.43	4.06	499.33	11.48
<b>Total</b>	<b>10,396.79</b>	<b>100.00</b>	<b>4,349.66</b>	<b>100.00</b>

#### Product-Wise Revenue Bifurcation:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount (₹ In Lakhs)	% of total revenue	Amount (₹ In Lakhs)	% of total revenue
Sale of Construction Materials	996.37	100.00	206.04	100.00
<b>Total</b>	<b>996.37</b>	<b>100.00</b>	<b>206.04</b>	<b>100.00</b>

#### Geography-wise Revenue from operations:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount (₹ in Lakhs)	% of total revenue	Amount (₹ in Lakhs)	% of total revenue
Telangana	719.30	6.31	499.33	10.96
Gujarat	10,223.99	89.74	3,884.00	85.26
Karnataka	-	-	7.22	0.16

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amount (₹ in Lakhs)	% of total revenue	Amount (₹ in Lakhs)	% of total revenue
Maharashtra	60.03	0.53	25.82	0.57
Madhya Pradesh	389.85	3.42	139.32	3.06
<b>Total</b>	<b>11,393.16</b>	<b>100.00</b>	<b>4,555.69</b>	<b>100.00</b>

#### **Other Income:**

Other income of our company decreased by ₹ 2.56 lakhs to ₹ 6.89 Lakhs for FY 2023-24 from ₹ 9.44 Lakhs for FY 2022-23 being (27.06)%. Interest income and Other Misc Income were the main constituents of the Other Income for the year Financial Year 2023-24. Reduction of other income was mainly due to Nil Interest on income tax refund in FY 2023-24 as compared to ₹ 5.35 lakhs in FY 2022-23.

#### **EXPENDITURE:**

Our total expenses increased by 147.84% to ₹ 10,548.31 Lakhs for the FY 2023-24 from ₹ 4,256.06 Lakhs for the FY 2022-23. Our total expenses were 93.23% of total income in FY 2022-23 and 92.53% of total income in FY 2023-24, which is a decrease in expenditure with comparison to total income by 0.80% of total income. The reasons for change are discussed below:

#### **Cost of Materials consumed**

Our Cost of Materials consumed increased by ₹ 4,198.17 lakhs being 171.85% to ₹ 6,641.7 Lakhs from ₹ 2,442.90 Lakhs in FY 2023-24 and FY 2022-23 respectively. Cost of materials consumed also increased as a percentage of total income to 58.25% in FY 2023-24 from 53.51% in FY 2022-23. Cost of materials consumed includes consumption of raw materials such as aggregate, cement, steel, pipes, valves, sand, ready-mix and other hardware items. Increase in Cost of materials consumed is mainly attributable to increase in revenue from operations which results in increased consumption of materials. Our company had received new projects in water pipeline construction during the FY 2023-24, these projects in initial stage require completion of supply portion of our total contract, that includes supply of pipes resulting in increase of cost of material consumed.

#### **Purchases of stock-in-trade**

Purchase of stock in trade increased to ₹ 828.41 lakhs in FY 2023-24 as compared to ₹ 204.00 lakhs in FY 2022-23 representing 7.27% and 4.47 % of Total Income for FY 2023-24 and FY 2022-23 respectively.

#### **Employee Benefit Expenses**

Employee Benefit expenses increased to ₹ 147.44 Lakhs for FY 2023-24 from ₹ 119.11 Lakhs for FY 2022-23 showing an increase of ₹ 28.33 lakhs being 23.79%. The increase in employee benefit expenses is primarily due to increase in Salary and wages which was ₹ 114.35 lakhs in FY 2022-23 compared to ₹ 136.01 lakhs in FY 2023-24 showing an increase of ₹ 21.66 lakhs due to increase in salaries and wages of our employees.

#### **Finance Cost**

Finance expenses were ₹ 196.56 Lakhs in FY 2023-24 as against ₹ 134.09 Lakhs in FY 2022-23 showing increase of 46.59%. The increase in finance cost is mainly due to increase in interest on long-term and short-term borrowings in FY 2023-24 as compared to FY 2022-23.

#### **Depreciation**

The Depreciation and amortization expense for FY 2023-24 was ₹ 48.99 Lakhs as against ₹ 38.04 Lakhs for FY 2022-23 showing an increase of 28.77% mainly on account of an increase in property, plant and equipment amounting to ₹ 200.23 Lakhs to support the operational activities of the business during the FY 2023-24.

#### **Other Expenses**

Other Expenses increased to ₹ 2,685.83 Lakhs for FY 2023-24 from ₹ 1,317.92 Lakhs for FY 2021-22 showing an increase of 103.79%. Other expense mainly includes Hire Charges, Masonry Charges, Repair and Maintenance expense, Consumable stores and spares, Power & Fuel charges, Freight, Tender expenses, Insurance Charges, Travelling Expenses, Rent Expense, Rates and Taxes, Sub Contract Expenses and other Expenses. Other expenses increased due to increase in sub-contract expenses from ₹ 742.13 Lakhs in FY 2022-23 to ₹ 2189.75 Lakhs in FY 23-24, this expense has increased due to increase in revenue from operation of our company in FY 2023-24.



### **Profit before Tax**

As a result of the foregoing, we recorded an increase of ₹ 542.66 lakhs being 175.57% in our profit before tax, which amounted to ₹ 851.74 Lakhs in FY 2023-24, as compared to ₹ 309.08 Lakhs in FY 2022-23. The Profit before Tax for the FY 2023-24 was 7.47% of the total income and it was 6.77% of total income for the FY 2022-23. The increase in profit before tax was primarily due to increase in revenue from operations and decrease in other expenses as a proportion of total income as compared to previous financial year.

### **Tax Expenses**

Our total tax expenses increased to ₹ 237.73 Lakhs in FY 2023-24 from ₹ 86.42 Lakhs in FY 2022-23, primarily due to an increase in current tax to ₹ 240.88 Lakhs in FY 2023-24 from ₹ 87.33 Lakhs in FY 2022-23. The increase in current tax was mainly on account of an increase in our restated profit before tax.

### **Profit after Tax (PAT)**

As a result of the foregoing, we recorded an increase of 175.76% amounting to ₹ 391.35 lakhs in our profit for the period from ₹ 222.66 Lakhs in the FY 2022-23 to ₹ 614.01 Lakhs in the FY 2023-24. The Profit after Tax for the FY 2023-24 increased to 5.39% of the total income as against 4.88% of total income for the FY 2022-23 i.e. an increase of 0.51% of the total income. The increase in profit after tax was primarily due to increase in revenue from operations and decrease in other expenses as a proportion of total income as compared to previous financial year.

## **COMPARISON OF FINANCIAL YEAR 2022-23 WITH FINANCIAL YEAR 2021-22:**

### **TOTAL INCOME:**

Our total income increased by 28.21% from ₹ 3,560.70 Lakhs in Financial Year 2021-22 to ₹ 4,565.14 Lakhs in Financial Year 2022-23, primarily due to an increase in our revenue from operations and other income as discussed below:

### **Revenue from operations**

Our company is engaged in the business of construction, laying and commissioning contracts in various infrastructure projects like water pipeline construction and irrigation, Building and road construction. The total revenue from operations increased by ₹ 1,000.36 lakhs being 28.14% for the FY 2022-23 to ₹ 4,555.70 lakhs as compared to ₹ 3,555.34 lakhs during the FY 2021-22. The increase was mainly attributable to increased revenue from our Water Pipeline Construction service from ₹ 1770.1 lakhs in FY 2021-22 to ₹ 3324.8 lakhs in FY 2022-23 representing growth of 87.83%. Our company had received new projects in water pipeline construction during the FY 2022-23 which are fast moving and generate major portion of revenue in the initial stage of a project. There was sale of product amounts to ₹ 206.4 lakhs in Financial Year 2022-23 compared to FY 2021-22 having no such transaction.

### **Revenue from operations:**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount (₹ in Lakhs)	% of total revenue	Amount (₹ in Lakhs)	% of total revenue
Sale of services	4,349.66	95.48%	3,555.34	100.00%
Sale of products	206.04	4.52%	-	0.00%
<b>Total</b>	<b>4,555.70</b>	<b>100.00%</b>	<b>3,555.34</b>	<b>100.00%</b>

### **Service-Wise Revenue Bifurcation:**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount (₹ in Lakhs)	% of total revenue	Amount (₹ in Lakhs)	% of total revenue
Water Pipeline Construction	3,324.80	76.44%	1,770.10	49.79%
Road Construction	525.52	12.08%	1,114.64	31.35%
Building Construction	499.33	11.48%	670.61	18.86%
<b>Total</b>	<b>4,349.66</b>	<b>100.00%</b>	<b>3,555.34</b>	<b>100.00%</b>

### **Product-Wise Revenue Bifurcation:**



Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount (₹ In Lakhs)	% of total revenue	Amount (₹ In Lakhs)	% of total revenue
Sale of Construction Materials	206.04	100.00%	-	0.00%
<b>Total</b>	<b>206.04</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>

#### Geography-wise Revenue from operations:

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount (₹ in Lakhs)	% of total revenue	Amount (₹ in Lakhs)	% of total revenue
Telangana	499.33	10.96%	670.61	18.86%
Gujarat	3,884.00	85.26%	566.33	15.93%
Karnataka	7.22	0.16%	384.20	10.81%
Maharashtra	25.82	0.57%	345.44	9.72%
Madhya Pradesh	139.32	3.06%	705.86	19.85%
Jharkhand	-	0.00%	398.73	11.21%
Uttar Pradesh	-	0.00%	484.18	13.62%
<b>Total</b>	<b>4,555.69</b>	<b>100.00%</b>	<b>3,555.34</b>	<b>100.00%</b>

#### Other Income:

Other income of the company increased by ₹ 4.08 lakhs being 76.12% to ₹ 9.44 Lakhs from ₹ 5.36 Lakhs for Financial Year 2022-23 and Financial Year 2021-22 respectively. Interest on Fixed Deposit and income tax refund and capital gain were the main constituents of the Other Income for the year Financial Year 2022-23. Other income increased on account of interest on income tax refund received amounts to ₹ 5.35 lakhs during the financial year 2022-23.

#### **EXPENDITURE:**

Our total expenses increased by 24.94% to ₹4,256.06 Lakhs for the Financial Year 2022-23 from ₹3,406.41 Lakhs for the Financial Year 2021-22. Our total expenses were 95.67% of total income in FY 2021-22 and 93.23% of total income in FY 2022-23, which is a decrease in expenditure with comparison to total income by 2.44% of total income. The reasons for change are discussed below:

#### **Cost of Materials consumed**

Our Cost of Materials consumed increased by ₹ 957.07 lakhs being 64.41% to ₹ 2,442.90 Lakhs from ₹ 1,485.83 Lakhs in FY 2022-23 and FY 2021-22 respectively. Cost of materials consumed also increased as a percentage of total income to 53.51% in FY 2022-23 from 41.73% in FY 2021-22. Cost of materials consumed includes consumption of raw materials such as aggregate, cement, steel, pipes, valves, sand, ready-mix and other hardware items. Increase in Cost of materials consumed is mainly attributable to increase in revenue from operations which results in increased consumption of materials. Our company had received new projects in water pipeline construction during the FY 2022-23, these projects in initial stage require completion of supply portion of our total contract, which includes supply of pipes which results in increase of cost of material consumed.

#### **Purchases of stock-in-trade**

Purchase of stock in trade was ₹ 204.00 lakhs representing 4.47 % of Total Income for FY 2022-23. There was no transaction of Purchase of stock in trade in FY 2021-22.

#### **Employee Benefit Expenses**

Employee Benefit expenses increased to ₹ 119.11 Lakhs for FY 2022-23 from ₹ 105.55 Lakhs for FY 2021-22 showing an increase of ₹ 13.56 lakhs or 12.85%. The increase in employee benefit expenses is primarily due to increase in Salary and wages which was ₹ 99.77 lakhs in FY 2021-22 compared to ₹ 114.35 lakhs in FY 2022-23 showing an increase of ₹ 14.58 lakhs due to increase in salaries and wages of our employees.

### **Finance Cost**

Finance expenses were ₹134.09 Lakhs in FY 2022-23 as against ₹130.16 Lakhs in FY 2021-22 showing increase of 3.02%. The increase in finance cost is mainly due to increase in short-term borrowings in FY 2022-23 as compared to FY 2021-22.

### **Depreciation**

The Depreciation and amortization expense for FY 2022-23 was ₹38.04 Lakhs as against ₹34.73 Lakhs for FY 2021-22 showing an increase of 9.53% mainly on account of an increase in property, plant and equipment amounting to ₹ 28.27 Lakhs to support the operational activities of the business during the FY 2022-23.

### **Other Expenses**

Other Expenses decreased to ₹ 1,317.92 Lakhs for FY 2022-23 from ₹ 1,650.14 Lakhs for FY 2021- 22 showing a decrease of 20.13%. Other expense mainly includes Hire Charges, Masonry Charges, Repair and Maintenance expense, Consumable stores, Power & Fuel charges, Freight, Tender expenses, Insurance Charges, Travelling Expenses, Rent Expense, Rates and Taxes, Sub Contract Expenses and other Expenses. Other expenses reduced due to reduction in Masonry charges and sub-contract expenses. Our company had received new projects in water pipeline construction, these projects in initial stage require completion of supply portion of our total contract, which includes supply of pipes. This results into low labour charges requirements even though there is an increase in our revenue. Our company before FY 2022-23 was doing major portion of labour portion contract which has reduced from FY 2022-23, which is also a reason for such decrease in sub-contracting expense and Masonry charges.

### **Profit before Tax**

As a result of the foregoing, we recorded an increase of ₹ 154.79 lakhs being 100.32% in our profit before tax, which amounted to ₹ 309.08 Lakhs in FY 2022-23, as compared to ₹ 154.29 Lakhs in FY 2021-22. The Profit before Tax for the FY 2022-23 was 6.77% of the total income and it was 4.33% of total income for the FY 2021-22. The increase in profit before tax was primarily due to increase in revenue from operations, other income, decrease in other expenses as compared to previous financial year.

### **Tax Expenses**

Our total tax expenses increased to ₹ 86.42 Lakhs in FY 2022-23 from ₹ 43.71 Lakhs in FY 2021- 22, primarily due to an increase in current tax to ₹ 87.33 Lakhs in FY 2022-23 from ₹ 40.25 Lakhs in FY 2021-22. The increase in current tax was mainly on account of an increase in our restated profit before tax to ₹ 309.08 Lakhs in FY 2022-23 from ₹ 154.28 Lakhs in FY 2021-22.

### **Profit after Tax (PAT)**

As a result of the foregoing, we recorded an increase of 101.35% amounts to ₹ 112.08 lakhs in our profit for the period from ₹ 110.58 Lakhs in the FY 2021-22 to ₹ 222.66 Lakhs in the FY 2022-23. The Profit after Tax for the FY 2022-23 increased to 4.88% of the total income as against 3.11% of total income for the FY 2021-22 i.e. an increase of 1.77% of the total income. The increase in profit after tax was primarily due to increase in revenue from operations and other income and substantial decrease in other expenses as compared to previous financial year.

## **COMPARISON OF FINANCIAL YEAR 2021-22 WITH FINANCIAL YEAR 2020-21:**

### **TOTAL INCOME:**

Our total income increased by 15.70% from ₹ 3,077.57 Lakhs in Financial Year 2020-21 to ₹ 3,560.70 Lakhs in Financial Year 2021-22, primarily due to an increase in our revenue from operations and other income as discussed below:

### **Revenue from operations**

Our company is engaged in the business of construction, laying and commissioning contracts in various infrastructure projects like water pipeline construction and irrigation, Building and road construction. The Total Revenue from operations for the year ended on FY 2021-22 was ₹ 3,555.34 Lakhs as compared to ₹ 3,072.08 Lakhs during the FY 2020-21 i.e an increase by 15.73 % in FY 2021-22 as compared to FY 2020-21. The increase in revenue from operation is largely attributable to increase in the business operational activity in FY 2021-22 as compared to the previous financial years. It is an increase in work related to road construction projects.

### **Geography-wise Revenue from operations:**

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Amount (₹ in lakhs)	% of total revenue	Amount (₹ in lakhs)	% of total revenue
Telangana	670.61	18.86%	617.45	20.10%
Gujarat	566.33	15.93%	496.86	16.17%
Karnataka	384.20	10.81%	720.52	23.45%
Maharashtra	345.44	9.72%	203.83	6.64%
Madhya Pradesh	705.86	19.85%	605.10	19.70%
Jharkhand	398.73	11.21%	163.72	5.33%
Uttar Pradesh	484.18	13.62%	173.80	5.66%
Delhi	-	-	90.79	2.96%
<b>Total</b>	<b>3,555.34</b>	<b>100.00%</b>	<b>3,072.08</b>	<b>100.00%</b>

#### Service-Wise Revenue Bifurcation:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Amount (₹ In Lakhs)	% of total revenue	Amount (₹ In Lakhs)	% of total revenue
Water Pipeline Construction	1,770.10	49.79%	1,754.06	57.10%
Road Construction	1,114.64	31.35%	20.37	0.66%
Building Construction	670.61	18.86%	1,045.76	34.04%
Irrigation Projects	-	-	9.33	0.30%
Power and Civil	-	-	188.7608	6.14%
Technical Services	-	-	53.8	1.75%
<b>Total</b>	<b>3,555.35</b>	<b>100.00%</b>	<b>3,072.08</b>	<b>100.00%</b>

#### Other Income:

Other income of the company decreased by ₹ 0.13 lakhs being 2.37% to ₹ 5.36 Lakhs from ₹ 5.49 Lakhs for Financial Year 2021-22 and FY 2020-21 respectively. Interest on Fixed Deposit were the main constituents of the Other Income for the year Financial Year 2021-22. There was a marginal decrease in interest income during the Financial Year 2021-22 as compared to previous financial year.

#### EXPENDITURE:

Our total expenses increased by 15.11 % to ₹ 3,406.41 Lakhs for the FY 2021-22 from ₹ 2,959.31 Lakhs for the FY 2020-21. Our total expense was 96.16% of total income in FY 2020-21 and 95.67% of total income in FY 2021-22, which is a decrease in comparison to total income by 0.49% of total income. The reasons for change are discussed below:

#### Cost of Materials consumed

Our Cost of Materials consumed increased by ₹ 257.63 lakhs being 20.98% of increase to ₹ 1,485.83 Lakhs in FY 2021-22 from ₹ 1,228.20 Lakhs in FY 2020-21. Cost of materials consumed increased marginally as a percentage of total income to 41.73 % in FY 2021-22 from 39.91 % in FY 2020-21 i.e increase of 1.82% of total income. Cost of materials consumed includes consumption of raw materials such as aggregate, cement, steel, pipes, valves, sand, ready-mix and other hardware items. Increase in Cost of materials consumed is mainly attributable to increase in revenue from operation during the year.

#### Employee Benefit Expenses

Employee Benefit expenses decreased to ₹ 105.55 Lakhs for FY 2021-22 from ₹ 120.09 Lakhs for FY 2020-21 showing a decrease of 12.11% amounts to decrease of ₹ 14.54 lakhs as compared to FY 2020-21. The decrease in employee benefit expenses is primarily due to decrease in Salary and wages and Gratuity expense. Salaries and wages were decreased to ₹ 99.77 Lakhs in FY 2021-22 from ₹ 111.67 Lakhs in FY 2020-21 respectively showing a decrease of 10.65% and Gratuity Expense also decreased to ₹ 0.88 Lakhs in FY 2021-22 from ₹ 4.29 Lakhs in FY 2020-21. This was mainly due to decrease in salaries and wages of our employees.

### Finance Cost

Finance expenses were ₹ 130.16 Lakhs in FY 2021-22 as against ₹ 120.94 Lakhs in FY 2020-21 showing increase of 7.92%. The increase in finance cost is mainly due to increase in bank charges on borrowings in FY 2021-22 as compared to FY 2020-21. Our company has increased its short term borrowings in FY 2021-22. Finance costs include interest expense on interest on Loans, cash credit and other Bank Charges.

### Depreciation

The Depreciation and amortization expense for FY 2021-22 was ₹ 34.73 Lakhs as against ₹ 11.83 Lakhs for FY 2020-21 showing an increase of 193.58% mainly on account of an increase in property, plant and equipment amounting to ₹ 49.67 Lakhs, which includes ₹ 49.02 lakhs of temporary structure resulting in higher depreciation, to support the operational activities of the business during the FY 2021-22.

### Other Expenses

Other Expenses increased to ₹ 1,650.14 Lakhs for FY 2021-22 from ₹ 1,478.25 Lakhs for FY 2020-21 showing an increase of 11.63% amounts to ₹ 171.91 lakhs. Other expense mainly includes Hire Charges, Masonry Charges, Repair and Maintenance expense, Consumable stores, Power & Fuel charges, Freight, Tender expenses, Insurance Charges, Travelling Expenses, Rent Expense, Rates and Taxes, Sub Contract Expenses and other Expenses. The major reason of increase in other expenses as compared to FY 2020-21 was on account of consumption of stores and spares and masonry charges. Masonry charges increased by ₹ 152.43 lakhs in FY 2021-22 due to increase in labour charges.

### Profit before Tax

As a result of the foregoing, we recorded an increase of 30.47 % in our profit before tax, which amounted to ₹ 154.29 lakhs in FY 2021-22, as compared to ₹ 118.26 Lakhs in FY 2020-21. The Profit before Tax for the FY 2021-22 was 4.33% of the total income and it was 3.84% of total income for the FY 2020-21. The reason for increase in profit before tax is combined effect of increase in income form Revenue from operations and decrease in employee benefit expenses and other expenses.

### Tax Expenses

Our total tax expenses increased to ₹ 43.71 Lakhs in FY 2021-22 from ₹ 34.89 Lakhs in FY 2020-21, primarily due to an increase in profit before tax in FY 2021-22 as compared to FY 2020-21. The increase in current tax was mainly on account of an increase in our restated profit before tax to ₹ 154.29 Lakhs in FY 2021-22 from ₹ 118.26 Lakhs in FY 2020-21.

### Profit after Tax (PAT)

As a result of the foregoing, we recorded an increase of 32.65 % in our profit for the period from ₹ 83.37 Lakhs in the FY 2020-21 to ₹ 110.58 Lakhs in the FY 2021-22. The Profit after Tax for the FY 2021-22 was 3.11% of the total income and it was 2.71% of total income for the FY 2020-21 i.e an increase of 0.40% of total income. The reason for increase in profit after tax mainly are increase in income form Revenue from operations and decrease in employee benefit expenses and other expenses.

## DISCUSSION ON THE STATEMENT OF CASH FLOWS

The following table sets forth certain information relating to our Company's statement of cash flows for the periods indicated:

(₹ in Lakhs)

Particulars	For the Financial Year Ended			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Net cash flows generated/ (used) from operating activities	(175.36)	113.88	(243.73)	49.10
Net cash flows generated/ (used in) investing activities	(180.03)	(55.82)	(19.95)	(133.39)
Net cash flows generated/ (used in)/generated from financing activities	499.49	(45.88)	276.49	61.00
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>144.10</b>	<b>12.18</b>	<b>12.81</b>	<b>(23.29)</b>

### Operating activities:

For Financial Year 2023-24, net cash used in operating activities was ₹ 175.36 Lakhs. This comprised of the profit before tax of ₹ 851.74 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 48.99 Lakhs, finance

cost of ₹ 196.56 Lakhs and Interest Income of ₹ 6.89 lakhs. The resultant operating profit before working capital changes was ₹ 1,090.40 Lakhs, which was primarily adjusted for a increase in inventories amounting to ₹ 20.36 Lakhs and increase in trade receivables and Loans and Advances & other assets of ₹ 904.93 Lakhs and ₹ 1,801.38 Lakhs respectively, increase in trade payables & other Liabilities of ₹ 1,548.24 Lakhs and income tax paid of ₹ 87.33 Lakhs.

**For Financial Year 2022-23**, net cash generated in operating activities was ₹ 113.88 Lakhs. This comprised of the profit before tax of ₹ 309.08 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 38.04 Lakhs, finance cost of ₹ 134.09 Lakhs and Interest Income of ₹ 9.44 lakhs. The resultant operating profit before working capital changes was ₹ 471.77 Lakhs, which was primarily adjusted for an increase in inventories, trade receivables and Loans and Advances & other assets of ₹ 91.94 Lakhs, ₹ 226.91 Lakhs and ₹ 569.67 Lakhs respectively, increase in trade payables & other Liabilities of ₹ 570.88 Lakhs and income tax paid of ₹ 40.25 Lakhs.

**For Financial Year 2021-22**, net cash used in operating activities was ₹ 243.73 Lakhs. This comprised of the profit before tax of ₹ 154.28 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 34.73 Lakhs, finance cost of ₹ 130.16 Lakhs and Interest Income of ₹ 5.36 lakhs. The resultant operating profit before working capital changes was ₹ 313.82 Lakhs, which was primarily adjusted for an increase in Inventory of ₹ 27.27 Lakhs and Loans and Advances & other assets of ₹ 325.13 Lakhs, decrease in trade receivables of ₹ 33.59 Lakhs and decrease in trade payables & other Liabilities of ₹ 206.59 Lakhs and income tax paid of ₹ 32.15 Lakhs.

**For Financial Year 2020-21**, net cash generated in operating activities was ₹ 49.10 Lakhs. This comprised of the profit before tax of ₹ 118.26 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 11.83 Lakhs, finance cost of ₹ 120.94 Lakhs and Interest Income of ₹ 5.49 lakhs. The resultant operating profit before working capital changes was ₹ 245.55 Lakhs, which was primarily adjusted for an increase in trade receivables of ₹ 201.44 Lakhs, decrease in Inventory and Loans and Advances & other assets of ₹ 12.77 Lakhs and ₹ 87.48 Lakhs respectively, decrease in trade payables & other liabilities of ₹ 75.05 Lakhs and income tax paid of ₹ 20.20 Lakhs.

#### ***Investing Activities***

**For Financial Year 2023-24**, net cash used in investing activities was ₹ 180.03 Lakhs, which primarily comprised of cash used for the purchase of fixed assets (Net) of ₹ 260.26 Lakhs, proceeds from sale of investments ₹ 10.00 Lakhs, proceeds from interest income of ₹ 6.89 Lakhs and decrease in Non-Current Assets of ₹ 63.34 Lakhs.

**For Financial Year 2022-23**, net cash used in investing activities was ₹ 55.82 Lakhs, which primarily comprised of cash used for the purchase of fixed assets (Net) of ₹ 28.27 Lakhs, proceeds from sale of investments ₹ 15.00 Lakhs, proceeds from interest income of ₹ 9.44 Lakhs and an increase in Non-Current Assets of ₹ 51.99 Lakhs.

**For Financial Year 2021-22**, net cash used in investing activities was ₹ 19.95 Lakhs, which primarily comprised of cash used for the purchase of fixed assets (Net) of ₹ 16.09 Lakhs, purchase of investments ₹ 25.00 Lakhs, proceeds from interest income of ₹ 5.36 Lakhs and decrease in Non-Current Assets of ₹ 15.78 Lakhs.

**For Financial Year 2020-21**, net cash used in investing activities was ₹ 133.39 Lakhs, which primarily comprised of cash used for the purchase of fixed assets (Net) of ₹ 110.40 Lakhs, proceeds from interest income of ₹ 5.49 Lakhs and an increase in Non-Current Assets of ₹ 28.48 Lakhs.

#### ***Financing activities***

**For Financial Year 2023-24**, net cash generated from financing activities was ₹ 499.49 Lakhs, which predominantly comprised increase long-term borrowings of ₹ 87.10 Lakhs, short-term borrowings of ₹ 607.83 Lakhs and long-term provisions of ₹ 1.12 Lakhs respectively and finance cost paid of ₹ 196.56 Lakhs.

**For Financial Year 2022-23**, net cash used from financing activities was ₹ 45.88 Lakhs, which predominantly comprised increase of short-term borrowings of ₹ 68.78 Lakhs, repayment of long-term borrowings of ₹ 47.64 Lakhs, Proceeds from issue of share capital of ₹ 68.50 Lakhs, decrease in Long Term Provisions of ₹ 1.43 Lakhs and finance cost paid of ₹ 134.09 Lakhs.

**For Financial Year 2021-22**, net cash generated from financing activities was ₹ 276.49 Lakhs, which predominantly comprised increase of short-term borrowings of ₹ 373.89 Lakhs and long-term borrowings of ₹ 32.04 Lakhs, an increase in Long Term Provisions of ₹ 0.73 Lakhs and finance cost paid of ₹ 130.16 Lakhs.

**For Financial Year 2020-21**, net cash generated from financing activities was ₹ 61.00 Lakhs, which predominantly comprised increase of short-term borrowings of ₹ 93.00 Lakhs and long-term borrowings of ₹ 84.85 Lakhs, an increase in Long Term Provisions of ₹ 4.09 Lakhs and finance cost paid of ₹ 120.94 Lakhs.

## **INDEBTNESS**

As of March 31, 2024, we had total outstanding indebtedness of ₹ 1,654.81 Lakhs, which comprises of long-term borrowings amounting to ₹ 212.88 Lakhs and short-term borrowings of ₹ 1,441.93 Lakhs. The following table sets out our indebtedness as of March 31, 2024, 2023, 2022 and 2021.

(₹ in Lakhs)

Particulars	For the Financial Year Ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
<b>Long term borrowing (excluding current maturity)</b>				
<b>Secured Loans</b>				
From banks and Financial Institutions	89.94	75.79	54.72	4.19
<b>Unsecured Loans</b>				
From banks and Financial Institutions	122.94	89.13	183.47	263.78
<b>Sub Total - A</b>	<b>212.88</b>	<b>164.92</b>	<b>238.19</b>	<b>267.97</b>
<b>Short term borrowings</b>				
<b>Secured Loans</b>				
From banks and Financial Institutions	992.27	648.68	586.88	209.16
Current maturity of long-term borrowing	31.30	4.77	-	4.02
<b>Unsecured Loans</b>				
From banks and Financial Institutions	362.10	91.75	89.81	31.82
Current maturity of long-term borrowing	56.26	88.91	88.64	146.44
<b>Sub Total - B</b>	<b>1,441.93</b>	<b>834.10</b>	<b>765.33</b>	<b>391.44</b>
<b>Total(A+B)</b>	<b>1,654.81</b>	<b>999.02</b>	<b>1,003.52</b>	<b>659.41</b>

#### CAPITAL EXPENDITURE IN LAST FOUR YEARS

Our net capital expenditures include expenditures on tangible assets which primarily include Plant & Machinery, Building, Temporary Structure, furniture and fixtures, office equipment, vehicle, computers & data processing units, Temporary Structure.

The following table sets out our net capital expenditures for the financial year ended 2024, 2023, 2022 and 2021:

(₹ in Lakhs)

Particulars	For the Financial Year Ended on			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Plant & Machinery	10.18	0.96	-	30.10
Furniture & Fixtures	2.01	-	-	9.34
Office Equipment	10.99	0.54	-	0.21
Vehicles	37.37	26.78	-	-
Computers & Data Processing Units	6.25	-	0.65	1.19
Building	-	-	-	-
Temporary Structure	1.99	-	49.02	35.98
Freehold Land	131.44	-	-	-
Capital Work in Progress	60.03	-	-	33.59
<b>Total</b>	<b>260.26</b>	<b>28.27</b>	<b>49.67</b>	<b>110.40</b>

#### RELATED PARTY TRANSACTIONS

For further information please refer “Annexure-IX Related Party Disclosure” under section “Restated Financial Information” beginning from page no. 182 of this Red Herring Prospectus.

#### QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK



In the course of undertaking our business, we are exposed to the following risks arising from financial instruments, which include credit risk, liquidity risk and market risk. Our primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on our financial performance.

### **Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss. The potential activities where credit risks may arise include from security deposits with bank, trade receivables, loans and advances and other financial assets. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business.

### **Liquidity Risk**

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. Our financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We have practiced financial diligence and syndicated adequate liquidity in all business scenarios.

### **Market Risk**

Market risk is the risk that results in changes in market prices, such as foreign exchange rates, interest rates and other price like equity prices, which will affect our income or the value of our holdings of financial instruments.

Foreign currency risk is not material as our Company's primary business activities are within India and does not have significant exposure in foreign currency.

Our Company's interest rate exposure is mainly related to debt obligations outstanding.

## **EFFECT OF INFLATION**

We are affected by inflation as it has an impact on the material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## **INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:**

### **1) Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

### **2) Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page no. 25. To our knowledge, except as we have described in the Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

### **3) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page no. 25, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

### **4) Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page no. 25, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

### **5) Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**



Our company is engaged in the business of construction, laying and commissioning contracts in various infrastructure projects like irrigation and water supply etc. Increases in revenues are by and large linked to increase in sales of company and also dependent on the price realization of our products.

**6) Total turnover of each major industry segment in which the issuer company operated.**

Our company is engaged in the business of construction, laying and commissioning contracts in various infrastructure projects like water pipeline construction and irrigation, Building and road construction. Relevant Industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 102 of this Red Herring Prospectus.

**7) Status of any publicly announced new products or business segment.**

Otherwise as stated in the Red Herring Prospectus and in the section “Business Overview” appearing on page no. 115, our company has not publicly announced any new business segment till the date of this Red Herring Prospectus.

**8) The extent to which business is seasonal.**

Our company is engaged in the business of construction, laying and commissioning contracts in various infrastructure projects like water pipeline construction and irrigation, Building and road construction. Business of our company to that extent is not seasonal in nature. Hence, our business is not subject to seasonality or cyclicity.

**9) Any significant dependence on a single or few suppliers or customers.**

Our business is substantially dependent on projects awarded by our clients to us. For further details, please refer “Risk factor - Significant portion of our revenues is concentrated from a limited number of clients. The loss of any of our significant clients may have an adverse effect on our business, financial condition, results of operations, and prospect.” on page 25.

The percentage of revenue from operations derived from our top clients is given below:

Particulars	% Contribution to revenue from operations			
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Top 1 Customer	37.80	40.35	51.87	44.03
Top 3 Customers	63.80	74.86	80.15	72.41
Top 5 Customers	80.50	95.59	91.97	86.86
Top 10 Customers	95.48	99.93	100.00	100.56*

\*The Percentage of revenue from top 10 customers exceeds 100% during the FY 2020-21 was due to reversal of unbilled revenue arose during the year due to discontinuation of a project and accounted under the head Revenue from Operations. The restated Profit & Loss account as well as Audited Profit & Loss Account for FY 2020-21 shows revenue from operation by adjusting that reversal from sales of service.

The percentage of purchase derived from our top suppliers is given below:

Particulars	% Contribution to Purchases of material and stock in trade			
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Top 1 Supplier	27.99	35.18	19.82	23.49
Top 3 Suppliers	63.41	64.28	41.42	37.29
Top 5 Suppliers	72.52	76.90	53.83	48.46
Top 10 Suppliers	82.87	84.90	64.09	67.85

**10) Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in section titles “Business Overview” beginning on page no. 115 of this Red Herring Prospectus.

## CAPITALISATION STATEMENT

### Statement of Capitalization, As Restated

(₹ in Lakhs)

Particulars	Pre Issue (March 31, 2024)	Post Issue
<b>Debt :</b>		
Long Term Debt	212.88	[•]
Short Term Debt	1,441.93	[•]
<b>Total Debt</b>	<b>1,654.81</b>	<b>[•]</b>
<b>Shareholders Funds</b>		
Equity Share Capital	1,130.25	[•]
Reserves and Surplus	505.76	[•]
Less: Misc. Expenditure	-	[•]
<b>Total Shareholders' Funds</b>	<b>1,636.01</b>	<b>[•]</b>
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.13</b>	<b>[•]</b>
<b>Total Debt / Shareholders Fund</b>	<b>1.01</b>	<b>[•]</b>

**\*Note:**

1. The post issue figures are not available since issue price is not yet finalized.
2. The post issue figures are as on 31.03.2024 after considering gross proceeds from IPO.

## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoters or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoters or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoters 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 RHP; (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 RHP 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 RHP; (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 RHP; (x) pending litigations involving our Company, Directors, Promoters, 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 RHP:

- 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, Promoters, 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 profits after tax of the Company for the most recent audited financial statement; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoters, 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.vilil.in/>
- c) Notices received by our Company, Promoters, 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 Promoter 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 TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND 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

**Hearing Notice received from the Registrar of Companies, Ahmedabad vide letter dated June 12, 2024, bearing no. ROC/Sec.454(4)/Sec 42(4)/V.L. Infraprojects/STA(MD)/24-25/1016.**

The Company has made certain non-compliances u/s. 42 of the Companies Act, 2013, in respect of preferential allotment of 3,10,000 equity shares made on December 01, 2017 and after having brought the non-compliance to the knowledge of the management, had filed a suo-moto application u/s. 454 of the Act for the adjudication of penalty, in form GNL-2 vide SRN AA7844942 dated May 07, 2024 and had accordingly been issued aforementioned notice for

hearing which was held on June 26, 2024. In respect of the said matter, the Company had appeared through its counsel and have made its representations post which no communication from the concerned authority is said to have been issued. The matter is pending with the concerned authority.

### 3) **Disciplinary Actions by Authorities**

NIL

### 4) **Litigation involving Tax Liability**

#### **Indirect Tax:**

#### **1. GST Notice under Section 74 (State: Uttar Pradesh)**

M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 09AAECV9779J1ZC) (hereinafter referred to as the “Assessee”) have been issued with a Show Cause Notice (SCN) bearing reference noZD0909220173577 dated September 05, 2022 by the Deputy Commissioner, State Taxes and Excise, Sultanpur Sector-1: Ayodhya (A): Uttar Pradesh wherein the transaction under scrutiny involves a contentious purchase of Rs. 60,03,900/- from one M/s. Universal Traders (in eligible supplier as per department) and for wrongly availing and utilizing the ITC. Accordingly, the assessee herein has been required to show cause as to why the ITC calculated at Rs. 12,81,672/- (SGST & CGST Rs. 6,40,866/- each) not be recovered from the assessee in addition to interest and penalty thereon. Subsequent to the issue of the above SCN and reminders thereon in respect of which no response is alleged to have been received, the assessee have been issued with a demand order bearing no. ZD090323032505N dated March 13, 2023 issued u/s. 74 of the Act read with Rule 142(5) of the GST Rules, raising a demand of Rs. 30,05,521/- (Tax: Rs. 12,81,672/- + Interest of Rs. 4,42,177/- in terms of Section 50 of the Act and Penalty of Rs. 12,81,672/- levied u/s. 122 of the Act) and the above demand is pending to be paid.

In a unique circumstance, demand has surfaced during the active period of their GST number. Regrettably, the other party's error led to its deactivation, resulting in this discrepancy and subsequent tax demand. The Company **have contested this demand by appealing to the appellate authority.**

#### **2. GST Notice under Section 74 (State: Madhya Pradesh) (F.Y. 2018-19)**

A. M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 23AAECV9779J1ZM) (hereinafter referred to as the “Assessee”) have been issued with a Show Cause Notice bearing reference ZD231220001290I dated December 10, 2020 issued u/s. 74 of the GST Act, 2017 by the State Taxes Officer, Bhopal, MP for the period April 2018 till March 2019 on the strength of an inspection of business conducted at the premises of M/s. Siddhi Ganesh Industries (GSTIN 36BETPV4262H1ZT) wherein it was found that the said dealer has passed wrong ITC to the assessee herein. Subsequent to the issue of the said notice and receipt of reply from the assessee herein, the assessee was issued with an order bearing reference no. ZD230121001340M dated January 15, 2021 u/s. 74 of the Act raising a demand of Rs. 46,64,571/- (IGST Rs. 18,36,324/- Interest Rs. 9,91,923/- and penalty of Rs. 18,36,324/-) and the same is pending.

In a unique circumstance, demand has surfaced during the active period of their GST number. Regrettably, the other party's error led to its deactivation, resulting in this discrepancy and subsequent tax demand. **We have contested this demand by appealing to the appellate authority.**

B. M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 23AAECV9779J1ZM) (hereinafter referred to as the “Assessee”) have been issued with an intimation bearing no. ZD230324017582S, case ID: AD230324010745I dated March 22, 2024 and subsequently with a Show Cause Notice bearing reference ZD2304240152620 dated April 24, 2024 issued u/s. 74 of the GST Act, 2017 by the State Taxes Officer, Bhopal, MP for the period April 2018 till March 2019 on the strength of an inspection of business conducted at the premises of M/s. Vijay Traders (GSTIN 24DSOPB4593J1ZD) wherein it was found that the said dealer has passed wrong ITC to the assessee herein. In the said Notice, the assessee have been alleged of having wrongfully claimed an ITC of Rs. 2,29,320/- and accordingly have been required to explain why a total amount of Rs. 7,47,583/- (IGST Rs. 2,29,320/- Interest Rs. 2,88,943/- and penalty of Rs. 2,29,320/-) not be claimed from the assessee. and the same is pending.

#### **3. GST Notice under Section 74 (State: Madhya Pradesh) (F.Y. 2021-22)**

M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 23AAECV9779J1ZM) (hereinafter referred to as the “Assessee”) have been issued with an intimation of tax liability Notice bearing reference ZD2306230003813 dated June 01, 2023 issued u/s. 74 of the GST Act, 2017 by the State Taxes Officer, Bhopal, MP for the period April 2021 till March 2022 on the strength of an inspection of business conducted at the premises of M/s. Kabir Corporation (GSTIN 24ALOPD2682C1ZD) wherein it was found that the said dealer has dealer has passed wrong ITC to the assessee herein. In its intimation notice a total liability of Rs. 7,82,040/- (tax: Rs. 3,43,000/- Interest; Rs. 96,040/- and Penalty of Rs. 3,43,000/-) has been ascertained to be payable by the assessee and the same is pending for payment.

In a unique circumstance, demand has surfaced during the active period of their GST number. Regrettably, the other party's error led to its deactivation, resulting in this discrepancy and subsequent tax demand. **We have contested this demand by appealing to the appellate authority.**

**4. GST Notice under Section 73 (State: Maharashtra): (ZD271123050317P) (F.Y. 2021-22)**

M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 27AAECV9779J1ZE) (hereinafter referred to as the "Assessee") have been issued with a Notice bearing reference no. ZD271123050317P dated November 28, 2023 issued u/s. 61 r.w.r. 99(1) of the GST Act, 2017 and rules made thereunder, by the State Tax Officer, intimating discrepancies in the return after scrutiny, for the tax period April, 2021 to March, 2022 wherein the assessee has been required to explain the reason for the discrepancies with respect to excess ITC claimed in GSTR- 3B/9 as against that reflected in GSTR 2A and in-eligible ITC claimed from Registration Certificate (RC) cancelled supplier. After several correspondence in the matter, the assessee have been served with a Summary Show Cause Notice No. ZD270224074484B dated February 29, 2024 issued u/s. 73 of the Act, requiring the assessee to show cause as to why a total amount of Rs. 15,74,016/- ( CGST Rs. 4,91,712/- SGST Rs. 4,91,721/- interest thereon calculated at Rs. 4,92,250/- and penalty Rs. 98,342/-) not be recovered from the assessee and requiring the assessee to attend before the authority in person or through a legal representative on April 01, 2024 and the matter is pending

**5. GST Notice under Section 73 (State:Maharashtra): (ZD2707230498234 ) (F.Y. 2020-2021)**

M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 27AAECV9779J1ZE) (hereinafter referred to as the "Assessee") have been issued with a Show Cause Notice bearing reference ZD2707230498234 dated July 21, 2023 issued u/s. 61 r.w.r. 99(1) of the GST Act, 2017 and rules made thereunder, by the State tax officer for discrepancies found in the return in the course of scrutiny for the tax period April 2020-March 2021. wherein the assessee has been required to explain the reason for the discrepancies with respect to total tax difference as per GSTR 1 & GSTR 3B, excess ITC claimed in GSTR- 3B/9 as against that reflected in GSTR 2A, and in-eligible ITC claimed from Registration Certificate (RC) cancelled supplier and after several communications, the assessee have been served with a summary Show Cause Notice bearing no. ZD270224022639E dated February 09, 2024 issued u/s. 73 of the Act, Subsequent to the receipt of response from the assessee and due scrutiny, the assessee was issued with a summary of show Cause notice bearing no. ZD270724014211U dated July 05, 2024, wherein the final amount to be recovered from the assessee was calculated at Rs. 7,59,586/- (Tax: Rs. 4,08,716/-, Interest Rs. 3,09,998/- and Penalty: Rs. 40,872/-) and requiring the assessee to attend before the authority in person or through a legal representative on August 05, 2024 and the matter is pending

**6. GST Notice under Section 61 (State: Maharashtra): ASMT-10 (ZD2706220096694) (F.Y. 2019-2020)**

M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 27AAECV9779J1ZE) (hereinafter referred to as the "Assessee") have been issued with a Notice bearing reference no ZD2706220096694 dated June 06, 2022 by the State Tax Officer, u/r. 99(1) of the GST Act, 2017 intimating the discrepancies in the return after scrutiny for the tax period April, 2019 to March, 2020. The assessee have vide the said notice been required to explain the reason for ITC of Rs. 1,18,919/- claimed from non-genuine taxpayer and excess ITC of Rs. 4,17,169/- claimed in GSTR 3B/ 9 which is not in confirmation with GSTR 2A or 8A. Subsequent to the receipt of a reply from the assessee herein vide his letter dated September 25, 2023, the assessee herein was issued with a show cause notice bearing no. ZD271023021534W dated October 11, 2023 u/s. 73(1) of the Act alleging the assessee of contravention of the provisions of 16, 17, 37, 39, 41, 42, 50, 73, 74 & 75 of GST Act.2017 and requiring the assessee of why the aforementioned tax amount in addition to interest to be charged u/s. 50 of the Act and a penalty of Rs. 53,609/- not be recovered from the assessee. Later, the assessee has been issued with an order bearing no. STO-C-018RETURN SCRUTINY//2019-20/B- 129 dated October 31, 2023 issued u/s. 73(9) of the MGST / CGST Act, 2017 raising a demand of Rs. 9,50,562/- (Tax Rs. 5,36,090/-, Interest Rs. 3,48,971/- and penalty Rs. 65,501/-) and aggrieved by same, the assessee has preferred an appeal before the appellate authority vide application dated February 21, 2024 and the same is pending.

**The assessee has submitted the response with respect to same and the matter is pending with respective GST Officer.**

**7. GST Show Cause Notice under Section 73 (State: Maharashtra)Form GST DRC-01(ZD270524030566D) (F.Y. 2019-2020)**

An Intimation of tax ascertained as being payable under section 73(5) in FORM GST DRC-01A, bearing No- STO-C-018/NGTP/V.L.INFRA/DRC01A//2019-20/B- 12 dated- March 21, 2024 was issued to the assessee. Subsequently a Show cause Notice under Section 73 (1) of the Maharashtra Goods & Services Tax Act, 2017 (MGST Act, 2017) in form DRC-01 dated May 15, 2024 and served upon alleging the assessee of having availed ITC from prospectively RC cancelled NGTP and the same towards payment of outward Tax. In the said show cause notice the assessee have been required to show cause as to why an amount of Rs. 5,79,342/- not be recovered from the assessee and the assessee has been required to appear in person on June 17, 2024.



After due scrutiny and not having received any response from the assessee, the assessee have been issued with an order bearing reference no. ZD2707240255880 dated July 10, 2024 issued u/s. 73 of the Act raising a demand of Rs. 5,81,708/- (Tax: Rs. 2,82,240/-, Interest Rs. 2,43,020/- and Penalty Rs. 56,448/-) and the same is pending

**8. GST Notice under Section 61 (State: Maharashtra): ASMT-10 (ZA2701200103584) (F.Y. 2018-19)**

M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 27AAECV9779J1ZE) (hereinafter referred to as the “Assessee”) have been issued with a Show Cause Notice bearing reference no. ZA2701200103584 dated January 04, 2020 issued u/s 61 99 of the CGST Act, 2017 by the State Tax Officer, HATKANANGALE\_701, Kolhapur, Maharashtra wherein the assessee have been intimated of discrepancies in the returns after scrutiny for the tax period April, 2018 to March, 2019 and have been required to explain the reason for the said discrepancies with respect to excess ITC claimed in GSTR 3B/9 which is not in confirmation with GSTR2A or 8A of GSTR 9. Subsequent to the issue of notice and receipt of reply which was not found to the satisfaction of the concerned officer, the case was recommended for adjudication u/s. 73 of the GST Act, 2017. Excess ITC claimed in GSTR 3B/9 which is not confirmed in GSTR 2A or 8A of GSTR 9 has been calculated at Rs. 7,79,614/- and an interest of Rs. 6,73,074/- in addition to a penalty of Rs. 77,961/- (Total demand Rs. 15,30,649/-) has been levied against the assessee vide an order bearing no. KOL-VAT-C-018/SCRUTINY/2022-23/B- 537 dated November 25, 2022, passed in the matter u/s. 73 of the CGST/MGST Act, 2017 read with rule 142 of the CGST/MGST Rules, 2017.

In a unique circumstance, demand has surfaced during the active period of their GST number. Regrettably, the other party's error led to its deactivation, resulting in this discrepancy and subsequent tax demand. The assessee has preferred an appeal with the Appellate Authority, vide application dated April 15, 2023 and the same is pending.

**9. GST Notice under Section 65 (State: Telangana): GST ADT-01 (ZD360424057080P)**

M/s. V L INFRA PROJECTS PRIVATE LIMITED (GSTIN: 36AAECV9779J1ZF) (hereinafter referred to as the “Assessee”) have been issued with a Notice for conducting Audit u/s. 65(3) bearing reference no. 36AAECV9779J1ZF dated May 13, 2024, by the state Tax officer and the same is pending.

**Direct Tax:**

**1. A.Y. 2019-2020**

As per details available on the website of the Income Tax Department M/s. V.L.INFRAPROJECTS LIMITED (hereinafter referred to as the “Assessee”) have been issued a Show Cause Notice u/s. 148A of the Income Tax Act, 1961 bearing reference no. ITBA/AST/F/148A(SCN)/2022-23/1051175941(1) dated March 23, 2023 alledging the assessee of making contentious purchase from one M/s. Prashant Sri Vani (Siddi Ganesh Industries) during the A.Y. 2019-20 for an amount of Rs. 1,42,33,940/- The allegations were based on a report of **Central Economic Intelligence Bureau**, M/s. Prasant Sri Vani (Prop. Siddi Ganesh Industries) had irregularly availed and utilized ITC passed on them by entities who were found to be indulged in issuing invoices without supply of goods and an insight committee flagged the issue as high risk transaction vide information uploaded by the DDIT(Inv.), Unit-1(2), Hyderabad vide letter no. DDIT(Inv.)/REIC/CEIB/2022-23 dated March 03, 2023 in the matter of M/s. V.L.Infraprojects Limited was one of the parties. Upon finding the reply non satisfactory to the satisfaction of the concerned officer and on the basis of materials available on record, the concerned officer passed an order bearing no. **ITBA/AST/F/148A/2023-24/1052239752(1) dated April 20, 2023** passed u/s. 148A(d) of the Act, with prior approval of the specified authority as defined u/s. 151 of the Act considering that the assessee has escaped of the aforementioned income of Rs. 1,42,33,940/- being income chargeable to tax for A.Y. 2019-20. Consequent to the order passed u/s. 148(A), the assessee have been issued with a notice bearing no. **ITBA/AST/S/148\_1/2023-24/1052239859(1)** dated April 20, 2023 requiring the assessee to file its return for the A.Y. 2019-20 for recomputing its income considering the aforementioned amount and the response of the assessee is awaited in the matter. The assessee have submitted the return as desired and the matter is pending with the Department.

The assessee has further been issued with an intimation bearing no. ITBA/AST/S/61/2024-25/1066091038(1) dated June 26, 2024, to the assessee for completion of assessment in accordance with procedure of Section 144B of the Act and assessment in respect of same is pending.

**2. A.Y. 2015-16:**

As per details available on the website of the Income Tax Department M/s. V L INFRA PROJECTS PRIVATE LIMITED (hereinafter referred to as the “Assessee”) have been issued with a Demand notice u/s. 143(1)(a) of the Income Tax Act, 1961 bearing reference no 2016201637064196435C dated January 13, 2017 for an amount of an interest of Rs. 2,74,398/- for A.Y. 2015-16.

The department had recovered the same in the A.Y.2019-20 but it not updated in the Portal due to technical problem from an Income tax Portal. The assessee had submitted Grievance on the same and submitted the letter to the Assessing Officer, same is pending with A.O.

### **3. Pending Demands/ Defaults of TDS:**

As per details available on the TRACES an aggregate outstanding amount of **Rs. 6,99,259/-** from prior years till 2023-24 is pending against M/s. V L INFRA PROJECTS PRIVATE LIMITED (hereinafter referred to as the "Assessee") as default on account of short deduction and short payment of taxes, late deposit of fees and interest thereon. 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.

Submitted the response and matter is pending with Dept.

#### **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 PROMOTERS OF THE COMPANY**

### **A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS**

#### **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 DIRECTORS AND PROMOTERS**

#### **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 PROMOTERS, 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 during the last 5 financial years including outstanding actions except as disclosed above.

**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 RHP in the case of our Company,

Promoters, 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 RHP

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the RHP, 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 RHP 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 RHP.

**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 184 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 Board of Directors of our Company considers dues exceeding 10% of our Company’s Trade payables as per last audited financial statements. Dues owed by our Company to the creditors for the financial year ended March 31, 2024 were ₹ 2,396.99 Lakh, accordingly a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ 239.70 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on February 22, 2024.

Below are the details of the Creditors outstanding as on March 31, 2024: -

Name	Number of creditors	Amount involved (₹ in lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises	12	32.77
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises*	93	2,137.18
<b>Total</b>	<b>105</b>	<b>2,169.95</b>
Material Creditors#	3	1,408.92

\*Total outstanding dues to creditors other than micro and small & medium enterprises is a balance after netting off advances given to creditors.

#As per the books of accounts as on March 31, 2024.

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at <https://www.vlil.in/> It is clarified that such details available on our website do not form a part of this Red Herring Prospectus.

## GOVERNMENT 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 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 Issue 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 Issue 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 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 December 19, 2014 from the Registrar of Companies, Gujarat, under the Companies Act, 2013 as "V.L.Infraprojects Private Limited" (Company Identification no. U45200GJ2014PTC081602)
2. Fresh Certificate of Incorporation dated September 1, 2023 from the Registrar of Companies, Ahmedabad, consequent to conversion of the Company "V.L.Infraprojects Private Limited" to "V.L.Infraprojects Limited" (Corporate Identification No. - U45200GJ2014PLC081602)

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on February 22, 2024 authorized the Issue, 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 March 15, 2024, under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.

#### ***Approvals from Stock Exchange***

1. Our Company has received in- principle listing approval from the NSE EMERGE dated June 12, 2024 for listing of Equity Shares issued pursuant to the issue.

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated August 21, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated August 21, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited, for the dematerialization of its shares.

### **APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:**

#### **Tax Related Approvals**

Sr. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	---	AAECV9779J	Income Tax Department	--	Valid till Cancelled
2.	Tax Deduction and Collection Account Number	M/S V L Infraprojects Limited 716, Shivalik Satyamev, Nr. Vakil saheb Bridge, Ambli-Bopal Junction, S P Ring	AHMV06119B	Income Tax Department	--	Valid till Cancelled

Sr. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
	(TAN)	Road, Ahmedabad-380058, Gujarat				
3.	GST Registration Certificate (Gujarat)	M/S V L Infraprojects Limited 716, Shivalik Satyamev, Nr. Vakil saheb Bridge, Ambli-Bopal Junction, S P Ring Road, Ahmedabad-380058, Gujarat	24AAECV9779J1ZK	Goods And Services Tax Department	October 26,2023	Valid till Cancelled
4.	GST Registration Certificate (Madhya Pradesh)	M/S V L Infraprojects Limited Ward No 1, Dhanpuri Adarsh Colony, Dhanpuri, Shahdol-484114, Madhya Pradesh	23AAECV9779J1ZM	Goods And Services Tax Department	October 17,2023	Valid till Cancelled
5.	GST Registration Certificate (Uttar Pradesh)	M/S V L Infraprojects Private Limited Opp ITI College, Vikram nagar, Payagipur Village, Sultanpur District, Sultanpur-228001, Uttar Pradesh	09AAECV9779J1ZC	Goods And Services Tax Department	July 30, 2020	Valid till Cancelled
6.	GST Registration Certificate (Telangana)	M/S V L Infraprojects Limited First Floor, Block C, Flat No.Co-06, Survey No. 1009, The Indu Fortune Fields, The Annexe, KPHB Colony, Phase 13, Hyderabad, Hyderabad-500085, Telangana	36AAECV9779J1ZF	Goods And Services Tax Department	October 05, 2023	Valid till Cancelled
7.	Professional Tax Registration Certificate (PTRC), Gujarat	A-312, Sobo Center, Opposite Suncity, South Bopal, Gala Gymkhana Road, Bopal-Ghuma, Distoki, G Ahmedawad-58	PEP-01/06/011/2563	Bopal – Guma Municipalty, Daskori District, Ahmedabad	February 28, 2018	Valid Till Cancelled
8.	Professional Tax Enrollment Certificate (PTEC), Gujarat	A-312, Sobo Center, Opposite Suncity, South Bopal, Gala Gymkhana Road, Bopal-Ghuma, Gujarat - 380058	PEN162002563	Bopal – Guma Municipalty, Daskori District, Ahmedabad	October 10, 2019	Valid Till Cancelled
9.	Professional Tax Registration Certificate (PTRC), Madhya Pradesh	V L Infraprojects Private Limited Ward No. 1, Adarsh Colony, Dhanpuri, Shahdol, Madhya Pradesh	79669025330	Dhanpuri Municipal Corporation, Madhya Pradesh	--	Valid Till Cancelled
10.	Professional Tax Registration Certificate (PTRC), Telangana	Flat no. 06, The Indu Fortune Fields, Kukatpally, Hyderabad-500058	36979937939	Profession Tax Officer, Balanagar Circle. Commercial Tax Department	January 22, 2024	Valid Till Cancelled
11.	*GST Registration	M/S V.L.Infraprojects Private Limited	27AAECV9779J1ZE	Goods And Services	September 25, 2023	Valid till Cancelled

Sr. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
	Certificate (Maharashtra)	G-Wing, H.NO. 298/3, Flat No.601, Sankalp Siddhi, Puikhadi, Kolhapur, Maharashtra, 416001		Tax Department		

\*However, since the company had closed its operations in the state and have accordingly applied for the cancellation of the above GST, w.e.f. December 15, 2023, the same had not been included in the Government Chapter. However, since the cancellation application has not been approved yet, the status of same is showing active on the GST website.

**Registrations related to Labour Laws:**

Sr. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Udhyam Registration Certificate	M/S V L Infraprojects Private Limited 716, Shivalik Satyamev, Near Vakil saheb Bridge Bopal, Ahmedabad-380058, Gujarat	UDYAM-GJ-01-0018497	Ministry of Micro Small & Medium Enterprises	October 07, 2020	Valid till Cancelled
2.	Registration under Employee State Insurance Act (ESIC)	M/S V L Infraprojects Private Limited C-1, 301 Iscon Flower, Nr Lalgebi, Ashram Ghuma, Ahmedabad-380058, Gujarat	37001140510001019	Employees' State Insurance Corporation,	May 23, 2019	Valid till Cancelled
3.	Registration under the Employees Provident fund (EPF)	M/S V L Infraprojects Private Limited C-1, 301 Iscon Flower, Nr Lalgebi, Ashram Ghuma, Ahmedabad-380058, Gujarat	GJAHD1526097	Employees Provident fund	October 06, 2016	Valid till Cancelled
4.	Registration under Gujarat Shops and Establishments Act, 2019	M/S V L Infraprojects Private Limited Office-716, Shivalik Satyamev, Nr. Ambali Bopal Junction, Ambali-380000, Gujarat	PII/AMBL/10000/0273140 (Ambli) PEC01-0654001870 PRC01-0654000238	Amdavad Municipal Corporation	February 07, 2022	Valid till Cancelled
5.	Registration under Telangana Shops and Commercial	M/S V.L.Infraprojects Limited C0-06 The	SEA/MED/ALO/KP/0717913/2023	Government Of Telangana Labour Department	October 06, 2023	renewed upto December 31, 2024

Sr. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
	Act, 1988 and Rule 1990	Annexe Indu Fortune Fields 13 <sup>th</sup> Phase, KPHB Colony Hyderabad, Kukatpally, Kukatpally, Medchal (Malkajgiri)				


**Business Related Approvals:**

Sr. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Quality Management Certificate ISO 9001:2015	M/S V L Infraprojects Private Limited 716, Shivalik Satyamev, Nr. Vakil saheb Bridge Bopal, Ahmedabad-380058, Gujarat	Certificate Number: ISO 9001 / 398	SWISS CERT Pvt. Ltd.	October 14, 2021	October 13, 2024
2.	Environmental Management Certificate ISO 14001:2015	M/S V L Infraprojects Private Limited 716, Shivalik Satyamev, Nr. Vakil saheb Bridge Bopal, Ahmedabad-380058, Gujarat	Certificate Number: ISO 14001/398	SWISS CERT Pvt. Ltd.	October 14, 2021	October 13, 2024
3.	Occupational Health & Safety Management Certificate ISO 45001 :2018	M/S V L Infraprojects Private Limited 716, Shivalik Satyamev, Nr. Vakil saheb Bridge Bopal, Ahmedabad-380058, Gujarat	Certificate Number: ISO 45001/398	SWISS CERT Pvt. Ltd.	October 14, 2021	October 13, 2024
4.	Contractor's Registration Certificate Karnataka	M/S V L Infraprojects Private Limited S/O Sundara Rami Reddy, No 42 Aecs, Layout, Kudlu Gate, Near Ganesh Temple Bommanahallo Bangalore District Karnataka	CBS/C1/CIVIL/17974/2022	Karnataka State Public Works Department	March 02, 2022	March 01, 2027
5.	Contractor's Registration	M/S V L Infraprojects Private Limited	No.AB/TC/Reg/AA/3016/of 2022	Office of the Executive Engineer,	September 22, 2022	December 31, 2024

Sr. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
	Certificate Gujarat	716, Shivalik Satyamev, Nr. Vakil saheb Bridge Bopal, Ahmedabad-380058, Gujarat		Ahmedabad Irrigation Division, Gujarat		
6.	Contractor's Registration Certificate Madhya Pradesh	M/S V L Infraprojects Private Limited 186-B, Mahabali Nagar, Kolar Road, Dist-Bhopal, Madhya Pradesh, 462042	EC160001774	Chief Engineer Registration Office, Public Works Department, Bhopal	November 16, 2016	November 15, 2026
7.	Contractor's Registration Certificate Telangana	M/S V L Infraprojects Private Limited C1-301, ISCON Flower, Near Lalgebi Ashram, Ghuma, Ahmedabad-380058, Gujarat	No.COT/TS/SP/1501/2023	O/O Engineer in Chief (Admin) Mahabubnagar, I&CAD Department, Government of Telangana	September 29, 2023	September 28, 2028
8.	Registration under Madhya Pradesh Shops and Establishments Act, 1958 and Rule 1959	M/S V L Infraprojects Private Limited Ward No. 01, College Colony, Dhanpuri, Dist.- Shahdol Mp 484114	SHAH231220SE015431	Government of Madhya Pradesh Labor Department	December 27, 2023	Valid till Cancelled

### Intellectual Property

#### Trademarks registered/Objected/Abandoned in the name of our company

Sr. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Owner	Date of Registration/ Application	Authority	Current Status
1.	 Device	42	5443044	M/s. V.L.Infraprojects Limited	May 11, 2022	Ahmadabad	Registered

#### Domain Name



Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="http://www.vlil.in">www.vlil.in</a>	D8979698-IN	M/s. V.L.Infraprojects Private Limited	December 02, 2014	December 02, 2024

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.

#### **SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES / ENTITIES**

The definition of “Group Companies” pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Pursuant to a Board resolution dated February 22, 2023 our Board has identified companies with which there were related party transactions, during the period for which financial information is disclosed and formulated a policy to identify other companies which are considered material to be identified as group companies, pursuant to which no entities are identified as Group Companies of our Company.

There are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities.

## SECTION – XII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on February 22, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on March 15, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

### IN-PRINCIPLE LISTING APPROVALS

Our Company has received an In-Principle Approval letter dated June 12, 2024 from NSE for using its name in this Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors and our Promoters Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### CONFIRMATIONS

1. Our Company, our Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoter nor Group Companies/Entities have been identified as willful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### ELIGIBILITY FOR THE ISSUE

Our company whose post issue paid-up capital is more than ₹ 10 Crore and upto ₹ 25 Crore therefore, our company is eligible for the Issue in accordance with Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

#### 1. **The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

#### 2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 1,130.25 Lakh and we are proposing issue of 4410000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ 1,571.25 Lakh. Hence, our Post Issue Paid up Capital will be more than ₹ 10.00 Crores and less than ₹ 25.00 Crore.

#### 3. **Track Record**

##### A. **The company should have a track record of at least 3 years.**

Our company was incorporation dated December 19, 2014 under the provisions of Companies Act, 2013. Therefore, we are in compliance with criteria of having track record of 3 years.

##### B. **The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the year ended			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations	1,090.40	471.77	313.82	245.55
Net Worth as per Restated Financial Statement	1,636.01	1,022.00	730.84	620.26

#### 4. Other Requirements

We confirm that;

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

#### 5. The Company has a website: [www.vlil.in](http://www.vlil.in)

#### 6. Disclosures

We confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

#### In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

- In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the BRLM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by BRLM, please refer to Section titled “General Information” beginning on page no. 51 of this Red Herring Prospectus. – **Complied with**
- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “General Information” beginning on page no. 51 of this Red herring Prospectus. - **Complied with**
- In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same - **Noted for Compliance.**
- In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through BRLM immediately up on registration of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~, THE BOOK RUNNING LEAD MANAGER(S) 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, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 15, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~.”**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

The copy of the Draft Red Herring Prospectus was submitted to NSE. Post scrutiny of the Draft Red Herring Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under:

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3721 dated June 12, 2024 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoters, its management or any scheme or project of this Issuer.**

**Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”**

#### **CAUTION- DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

The Company and the Directors, accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accepts no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company’s website: [www.vlil.in](http://www.vlil.in) in would be doing so at their own risk.

## CAUTION

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLM, and our Company dated March 26, 2024 and the Underwriting Agreement dated July 11, 2024 between BRLM and our Company and the Market Making Agreement dated July 11, 2024 entered into among the Market Maker, Book Running Lead Manager and our Company.

All information shall be made available by us and BRLM 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 BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoters Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoters Group, affiliates or associates for which they have received, and may in future receive, compensation.

### Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and BRLM 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 of our company.

## DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad 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, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and 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 Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

## DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such

applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

## FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus was filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Draft Red Herring Prospectus was not filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus, along with the material documents and contracts required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC situated at Registrar of Companies, Gujarat and through the electronic portal at <http://www.mca.gov.in/mcafoportal>.

## LISTING

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated June 12, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within 3 Working Days from the Issue Closing Date.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a). makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- (b). makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c). Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## CONSENTS



The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Underwriter to Issue, Market Maker, Syndicate Member to the Issue and Banker to the Issue to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus/Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018,

1. M/s. S V J K and Associates, Chartered Accountants have provided their written consent to act as Peer review Auditor and expert to the company dated March 28, 2024 for Audit Report to the Restated Financial Information as well as inclusion of Statement of Tax Benefits dated July 13, 2024.
2. M/s. PARY & Co., Chartered Accountants has provided their written consent to act as statutory auditor of the company dated March 21, 2024 and for disclosure made in chapter titled “*Objects of the Issue*” for fund deployment certificate dated July 13, 2024 in this Red Herring Prospectus.
3. M/s. ANA Advisors has provided their written consent to act as Legal Advisor to the issue dated March 18, 2024 and to inclusion of name as Expert dated March 18, 2024.
4. M/s. S V J K and Associates, Chartered Accountants have provided their written consent to act as expert to the company dated March 28, 2024 Further, such consents and reports have not been withdrawn up to the time of delivery of this Red Herring Prospectus.
5. M/s. Srinivasa Rao K & Co., Chartered Accountants has provided their written consent dated March 23, 2024 to act as an expert w.r.t. certification for list of Plant and Machineries and material completed projects and ongoing projects.

#### **EXPERT OPINION**

Except for report and certificates from Peer Review Auditor M/s. S V J K and Associates, Statutory Review Auditor M/s. PARY & Co., and Previous Statutory Auditor M/s. Srinivasa Rao K & Co., on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

There have been no public or rights issue by our Company during the last five years.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

Other than as disclosed in “*Capital Structure*” beginning on page no. 61, our Company has not undertaken any capital issue in the last three years preceding the date of this Red Herring Prospectus.

Further, our company does not have any listed Group Companies/ Subsidiaries/ Associates, hence issue of capital during the last three years is not applicable.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM**

For details regarding the price information and track record of the past issue handled by Beeline Capital Advisors Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

#### **TABLE 1**

#### **SME IPO:**



Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Sheetal Universal Limited	23.80	70.00	December 11, 2023	75.00	22.14% (+2.61%)	0.14 (+5.42%)	-15.0% (+10.92)
2.	Benchmark Computer Solutions Limited	12.24	66.00	December 21, 2023	80.00	8.14% (+1.15)	-13.64% (+1.62%)	-38.75% (+8.65%)
3.	Indifra Limited	14.04	65.00	December 29, 2023	72.00	(-21.54%) (-1.74%)	-49.78% (+1.80%)	-42.85% (+9.16%)
4.	Australian Premium Solar (India) Limited	28.08	54.00	January 18, 2024	147.00	343.70% (+2.70%)	+320.00% (+3.19%)	+896.30% (+14.56%)
5.	Konstelec Engineers Limited	28.70	70.00	January 30, 2024	210.00	210.71% (+1.91%)	+148.93% (+4.17%)	N.A.
6.	Fonebox Retail Limited	20.37	70.00	February 02, 2024	200.00	145.00% (+2.40%)	+118.57% (+3.44%)	N.A.
7.	Rudra Gas Enterprise Limited	14.16	63.00	February 15, 2024	119.70	150.75% (+0.50%)	+204.21% (+1.46%)	N.A.
8.	V R Infraspac Limited	20.40	85.00	March 12, 2024	90.00	29.94% (+1.87%)	+66.18% (+4.27%)	N.A.
9.	Pratham EPC Projects Limited	36.00	75.00	March 18, 2024	113.30	139.80% (+0.42%)	362.80% (+6.39%)	N.A.
10.	KP Green Engineering Limited	189.50	144.00	March 22, 2024	200.00	234.24% (+0.35%)	299.31% (+6.19%)	N.A.
11.	TAC Infosec Limited	29.99	106.00	April 05, 2024	290.00	491.27% (-0.17%)	421.13% (+7.87%)	N.A.
12.	Greenhitech Ventures Limited	6.30	50.00	April 22, 2024	95.00	170.00% (+0.41%)	N.A.	N.A.
13.	Emmforce Autotech Limited	53.90	98.00	April 30, 2024	186.20	92.14% (+0.03%)	N.A.	N.A.
14.	Winsol Engineers Limited	23.36	75.00	May 14, 2024	365.00	380.00% (+4.97%)	N.A.	N.A.
15.	Piotex Industries Limited	14.47	94.00	May 17, 2024	109.00	-4.26% (+4.16%)	N.A.	N.A.
16.	Rulka Electricals Limited	26.40	235.00	May 24, 2024	525.00	98.19% (+2.37%)	N.A.	N.A.
17.	Beacon Trusteeship Limited	32.52	60.00	June 04, 2024	90.00	117.67% (+10.98)	N.A.	N.A.
18.	United Cotfab Limited	36.29	70.00	June 24, 2024	75.00	N.A.	N.A.	N.A.

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
19.	Dindigul Farm Product Limited	34.83	54.00	June 27, 2024	102.60	N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

**Note:**

- The S&P NSE Sensex and NSE Nifty are considered as the Benchmark.
- “Issue Price” is taken as “Base Price” for calculating % Change in Closing Price of the respective Issues on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing.
- “Closing Benchmark” on the listing day of respective scripts is taken as “Base Benchmark” for calculating % Change in Closing Benchmark on 30<sup>th</sup>/ 90<sup>th</sup>/ 180<sup>th</sup> Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
- In case 30<sup>th</sup>/ 90<sup>th</sup>/ 180<sup>th</sup> day is not a trading day, closing price on BSE/ NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

**MAIN BOARD IPO:**

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
NIL								

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Issues) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Book Running lead manager are provided.

**Note:**

- The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.
- “Issue Price” is taken as “Base Price” for calculating % Change in Closing Price of the respective Issues on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing.
- “Closing Benchmark” on the listing day of respective scripts is taken as “Base Benchmark” for calculating % Change in Closing Benchmark on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
- In case 30<sup>th</sup>/ 90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

**SUMMARY STATEMENT OF DISCLOSURE**

**TABLE 2**

**SME IPO:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	9	258.05	-	-	1	6	-	-	-	-	-	-	-	-
2023-24	21	770.18	-	-	3	13	3	2	-	2	2	9	1	1
2022-23	12	232.94	-	1	2	3	2	4	-	1	1	3	2	5
2021-22			N.A.											

### MAIN BOARD IPO:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24			NIL											
2022-23			NIL											
2021-22			N.A.											

### Notes:

1. Issue opening date is considered for calculation of total number of IPO's in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
3. Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

### PROMISE VIS-A-VIS PERFORMANCE

Since, neither our Company nor our Promoter's Group Companies/Entities have made any previous rights or public issues during last five years, promise vis-a-vis Performance is not applicable.

### STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

### MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, 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. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/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 Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Red Herring Prospectus/Prospectus.

### DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working 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 as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Mallikarjuna Katta	Chairman	Independent Director
Mr. Kamleshkumar Kantilal Wakharia	Member	Executive Director
Mr. Venkata Rama Krishna Akella	Member	Executive Director

Our Company has appointed Ms. Anjali Mukeshbhai Samani as the Company Secretary and Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Ms. Anjali Mukeshbhai Samani  
**Company Secretary and Compliance Officer**

C/o. V.L.Infraprojects Limited  
 716, Shivalik Satyamev,  
 Near Vakil saheb Bridge Bopal,  
 Ahmedabad- 380058, Gujarat, India  
**Telephone No.:** +91 99988 50177  
**Web site:** [www.vlil.in](http://www.vlil.in)  
**E-Mail:** [cs@vlil.in](mailto:cs@vlil.in)

Till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

### PUBLIC ISSUE EXPENSES

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable to Legal Advisor			
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Market Maker (for Three Years)	[●]	[●]	[●]

Expenses	Expenses (₹ in Lakh)	Expenses (% of Total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Others (Fees payable for marketing & distributing expenses, selling commission, brokerage, processing fees, underwriting fees and miscellaneous expenses.)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	<b>100.00</b>	[●]

**Notes:**

- Up to July 13, 2024, Our Company has deployed/incurred expense of ₹ 15.20 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. PARY & Co., Chartered Accountants vide its certificate dated July 13, 2024, bearing UDIN:24224674BKEQYJ3283.
- Any expenses incurred towards aforesaid issue related expenses during the period from May 29, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue:

**FEES PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

**FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

**FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

**COMMISSION PAYABLE TO SCSBS**

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
 Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)  
 ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed

50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 61 of this Red Herring Prospectus, our Company has not Issue any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of our Promoters as on date of filing of this Red Herring Prospectus.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except as disclosed under chapter titled “*Capital Structure*” on page 61 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

#### **REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during last five years.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS**

Our Company has not applied for an exemption from complying with any provisions of securities laws by SEBI, as on the date of this Red Herring Prospectus.



## SECTION XIII – ISSUE RELATED INFORMATION

### TERMS OF ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (“CAN”) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on February 22, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EoGM of the Company held on March 15, 2024.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled “Dividend Policy” beginning on pages 181 of this Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10 and the Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading 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 websites of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

As on the date of filing this Red Herring Prospectus, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “Basis of Issue Price” beginning on page 89 of this Red Herring Prospectus.

#### **Compliance with the disclosure and accounting norms**



Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of the Company.

### **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.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated August 21, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated August 21, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad, India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being

issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

### **ISSUE PROGRAM**

<b>Events</b>	<b>Indicative Dates</b>
Bid/Issue Opening Date	Tuesday, July 23, 2024
Bid/Issue Closing Date	Thursday, July 25, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday July 26, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account**	On or before Monday July 29, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Monday July 29, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday July 30, 2024

*\*\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

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

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for IPOs. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue has been made under UPI Phase III, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

#### **Submission of Bids**

##### **Bid/Issue Period (except the Bid/Issue Closing Date)**

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

##### **Bid/Issue Closing Date**

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

##### **On the Bid/Issue 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 Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue including through the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Migration to Main Board**

*Our company may migrate to the main board of NSE Limited at a later date subject to the following:*

- a. *If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than ₹ 10 Crores but below ₹ 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the SME Board within three years of listing on Emerge platform of NSE has to fulfill following conditions:*

- a. *The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b. *The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- c. *The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- d. *There should not be any action against the company by any regulatory agency at the time of application for migration.*

### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 51 of this Red Herring Prospectus.

### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

### **Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for the lock-in of the pre-Issue capital of our Company, Promoters’ minimum contribution as provided under the chapter titled “Capital Structure” on page 61 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled “Description of Equity Shares and terms of the articles of association” on page 265 of this 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 herein above. 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 the 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.

#### **Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Option to receive 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. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 224 and 235 respectively of this Red Herring Prospectus.

This public issue of 4410000 equity shares of face value of ₹10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating to ₹ [●]/- Lakhs (“the issue”) by our company. The Issue and the Net Issue will constitute 28.07 % and 26.54 % respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	240000 Equity Share	2082000 Equity Shares	627000 Equity Shares	1461000 Equity Shares
Percentage of issue size available for allocation	5.44 % of the issue size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders.</p> <p>However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only.</p> <p>Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion.</p> <p>The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p>	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment <sup>(3)</sup>	Firm Allotment	<p>Proportionate as follows (excluding Anchor Investor Portion):</p> <p>a) Up to 39000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>b) Up to 834000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds</p>	Proportionate	Proportionate



Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Investors	Retail Individual Investors
		receiving allocation as per (a) above. c) Up to 1248000 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		
Mode of Bid	Only through the ASBA process.	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹ 2,00,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	<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>(4)</sup> <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.			
Mode of Bid	Only through the ASBA process (except for Anchor Investors)			

- (1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “*Issue Structure*” on page 231 of the Red Herring Prospectus.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations, 2018.
- (3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

**Notes:**

- a) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.
- b) In the event that a Bid was submitted in joint names, the relevant Bidders were required to 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 appeared as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder was required in the Bid cum Application Form and such First Bidder was deemed to have signed on behalf of the joint holders

**WITHDRAWAL OF THE ISSUE**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with ROC.

**JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

**BID/ISSUE PROGRAMME:**

Events	Indicative Dates
Bid/Issue Opening Date	Tuesday, July 23, 2024
Bid/Issue Closing Date	Thursday, July 25, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday July 26, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday July 29, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Monday July 29, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday July 30, 2024

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

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of bids.
- b) A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (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 Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

### Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI 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 the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to

up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- c) 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 issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/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.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>.

For further details, refer to the "General Information Document" available on the websites of the Stock Exchange and the BRLM.

Our Company, the Promoters and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 this Prospectus.

Further, our Company, the Promoters and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

## **BOOK BUILDING PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital



and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited ("NSE EMERGE") i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

#### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:



<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut-Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

#### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

#### **WHO CAN BID?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

**Subject to the above, an illustrative list of Bidders is as follows:**

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the

application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;

- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications Not to Be Made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

## MAXIMUM AND MINIMUM APPLICATION SIZE

### 1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

### 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and Ahmedabad Edition of Regional newspaper (Gujarati Regional Language of Ahmedabad) where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Ahmedabad Edition of Regional newspaper Financial Express (Gujarati Regional Language of Ahmedabad) where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option

into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 217 of this Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price will be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the ROC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB



Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue 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 Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue 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 Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 263. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.



Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFs AND FVCIs**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without

assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “Key Regulations and Policies” beginning on page 155.

#### **BIDS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue 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 Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: “V.L.INFRAPROJECTS LIMITED – ANCHOR ACCOUNT – R”
- b. In case of Non-Resident Anchor Investors: “V.L.INFRAPROJECTS LIMITED - ANCHOR ACCOUNT – NR”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries

- (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
  6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not



in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

## GENERAL INSTRUCTIONS

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Issue period and withdraw their Bids until Bid/ Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

### Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue



through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. 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;
16. 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);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a RIB;
19. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares in excess of what is specified for each category;
21. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue 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;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
24. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
25. Do not Bid if you are an OCB; and
26. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “General Information” and “Our Management” beginning on pages 51 and 162 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “General Information” beginning on page 51.

#### **GROUNDS FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “General Information” beginning on page 51.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

##### **c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment

to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹2 crores;a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**e. In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

**f. In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.



**g. Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- a) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- b) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this RHP.

**Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-.** Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

**The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 (Two) working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:**

**On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.**

**The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 (Two) working days of**

**the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any**

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.



In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on August 21, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on August 21, 2023.

c) The Company's Equity shares bear an ISIN: INE0QXL01015.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- Issue advertisement, we shall state the Bid Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue Price but prior to the filing of Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

#### ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will Issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh 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 Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

## UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- 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 Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, 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 concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (FDI) through press notes and press releases.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (Consolidated FDI Policy), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

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 Offer 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 (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the 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. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares. Each Bidder should seek independent legal advice about its ability to participate in the Offer.

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 Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Refer to the section titled “*Issue Procedure*” beginning on page 235.

As per the existing policy of the Government, OCBs could not participate in the Issue.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

## DESCRIPTION OF EQUITY SHARES RELATED TERMS OF THE ARTICLES OF ASSOCIATION

### THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION\* OF

### V.L.INFRAPROJECTS LIMITED CONSTITUTION OF THE COMPANY

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

#### INTERPRETATION CLAUSE

2. The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:
  - a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'
  - b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
  - c) 'The Company' or 'This Company' means V.L.INFRAPROJECTS LIMITED
  - d) 'Directors' means the Directors for the time being of the Company.
  - e) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.
  - f) 'Members' means members of the Company holding a share or shares of any class.
  - g) 'Month' shall mean a calendar month.
  - h) 'Paid-up' shall include 'credited as fully paid-up'.
  - i) 'Person' shall include any corporation as well as individual.
  - j) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
  - k) 'Section' or 'Sec.' means Section of the Act.
  - l) Words importing the masculine gender shall include the feminine gender.
  - m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
  - n) 'Special Resolution' means special resolution as defined by Section 114 in the Act.
  - o) 'The Office' means the Registered Office for the time being of the Company.
  - p) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
  - q) 'Proxy' includes Attorney duly constituted under a Power of Attorney.
3. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
4. The Authorized Share Capital of the Company shall be as prescribed in Clause 5 of the Memorandum of Association of the Company.
5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.



Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

6. The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.
7. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:
  - I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
    - (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
    - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
    - (d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.
  - II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.
  - III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:
    - (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and
    - (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
8. (1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.
  - (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.
9. **Issue of further shares with disproportionate rights**

Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.
10. **Not to issue shares with disproportionate rights**

The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
11. **Power to pay commission**



The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

## **12. Liability of joint holders of shares**

The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

## **13. Trust not recognised**

Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognised any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## **14. Issue other than for cash**

- a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.
- b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

## **15. Acceptance of shares**

An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

## **16. Member' right to share Certificates**

1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:
  - a. One certificate for all his shares; or
  - b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.
2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
3. Every certificate shall be under the signature of two Directors and/or the Company Secretary of the Company and shall specify the shares to which it relates and the amount paid-up thereon.
4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the signature of two Directors and/or the Company Secretary of the Company or authorized official(s) of the Company.

## **17. One Certificate for joint holders**

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.

## **18. Renewal of Certificate**

If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.

For every certificate issued under the last preceding Article, no fee shall be charged by the Company.

#### **19. Splitting and consolidation of Share Certificate**

The shares of the Company will be split up/consolidated in the following circumstances:

- (i) At the request of the member/s for split up of shares in marketable lot.
- (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

#### **20. Directors may issue new Certificate(s)**

Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

#### **21. Person by whom installments are payable**

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

### **LIEN**

#### **22. Company's lien on shares**

The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

#### **23. As to enforcing lien by sale**

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

#### **24. Authority to transfer**

- a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
- b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

#### **25. Application of proceeds of sale**

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

### **CALLS ON SHARES**

#### **26. Calls**

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

#### **27. When call deemed to have been made**

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

#### **28. Length of Notice of call**

Not less than thirty days' notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

#### **29. Sum payable in fixed installments to be deemed calls**

If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

**30. When interest on call or installment payable**

If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

**31. Sums payable at fixed times to be treated as calls**

The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

**32. Payment of call in advance**

The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

**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 share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.

**FORFEITURE OF SHARES**

**34. If call or installment not paid, notice may be given**

If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

**35. Evidence action by Company against shareholders**

On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**36. Form of Notice**

The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

**37. If notice not complied with, shares may be forfeited**

If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

**38. Notice after forfeiture**

When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

**39. Boards' right to dispose of forfeited shares or cancellation of forfeiture**

A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

**40. Liability after forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

**41. Effect of forfeiture**

The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

**42. Evidence of forfeiture**

A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

**43. Non-payment of sums payable at fixed times**

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

**44. Validity of such sales**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

## **TRANSFER AND TRANSMISSION OF SHARES**

**45. Transfer**

- a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
- b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

- c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The

Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

- d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.
- e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.

#### **46. Form of transfer**

Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

#### **47. Board's right to refuse to register**

The Board, may, at its absolute discretion and without assigning any reason, decline to register;

1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
2. Any transfer or transmission of shares on which the Company has a lien
  - a. Provided that registration of any 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 a lien on the shares.
  - b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
  - c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
  - d. The provisions of this clause shall apply to transfers of stock also.

#### **48. Further right of Board of Directors to refuse to register**

- a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.
- b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.
- c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.
- d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:
  - i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.
  - ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.
  - iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.
  - iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.
  - v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.



Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).

#### **49. Rights to shares on death of a member for transmission**

- a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.
- b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

#### **50. Rights and liabilities of person**

1. 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 be required by the Board and subject as herein, after provided elect either
  - a. to be registered himself as a holder of the share or
  - b. to make such transfer of the share as the deceased or insolvent member could have made.
2. 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.

#### **51. Notice by such a person of his election**

- a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.

#### **52. No transfer to infant, etc.**

No transfer shall be made to an infant or a person of unsound mind.

#### **53. Endorsement of transfer and issue of certificate**

Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

#### **54. Custody of transfer**

The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

#### **55. Register of members**

- a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

#### **Closure of Register of members**

- b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

#### **When instruments of transfer to be retained**

- c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

#### **Company's right to register transfer by apparent legal owner**

57. The Company shall incur no liability or responsibility whatever in consequence of their 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 same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to 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 the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

### **ALTERATION OF CAPITAL**

#### **Alteration and consolidation, sub-division and cancellation of shares**

58. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:
  1. increase its share capital by such amount as it thinks expedient by issuing new shares;
  2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
  4. 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 on 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 shares from which the reduced share is derived.
  5.
    - (a). Cancel shares which, at the date of 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.
    - (b). The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.
  6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

#### **Reduction of capital, etc. by Company**

59. The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:
  - a. its share capital;
  - b. any capital redemption reserve account; or
  - c. any share premium account.

### **SURRENDER OF SHARES**

#### **Surrender of shares**

60. The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

### **MODIFICATION OF RIGHTS**

#### **Power of modify shares**

61. The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.



## SET OFF OF MONEY DUE TO SHAREHOLDERS

### Set-off of moneys due to shareholders

62. Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

## CONVERSION OF SHARES INTO STOCK

### Conversion of shares

63. The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

### Transfer of stock

64. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

### Right of stockholders

65. The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

### Applicability of regulations to stock and stockholders

66. Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.

## 67. DEMATERIALISATION OF SECURITIES

### a) Definitions

For the purpose of this Article:

‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;

‘SEBI’ means the Securities and Exchange Board of India;

‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

‘Security’ means such security as may be specified by SEBI from time to time.

### b) Dematerialisation of securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

### c) Options for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

### d) Securities in depositories to be in fungible form

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

**e) Rights of depositories and beneficial owners:**

- i. Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- ii. Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
- iii. Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

**f) Service of documents**

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

**g) Transfer of securities**

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**h) Allotment of securities dealt with in a depository**

Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

**i) Distinctive numbers of securities held in a depository**

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

**j) Register and Index of Beneficial owners**

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

**k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

## GENERAL MEETINGS

**Annual General Meeting**

68. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

**Extraordinary General Meeting**

69. 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

**Right to summon Extraordinary General Meeting**

2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

**Extraordinary Meeting by requisition**

70. a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.

- b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.
- c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.
- e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

#### **Length of notice for calling meeting**

71. A General Meeting of the Company may be called by giving not less than twenty one days' notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting.

Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

#### **Accidental omission to give notice not to invalidate meeting**

72. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

#### **Special business and statement to be annexed**

73. All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

#### **Quorum**

74. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present

Number of members 1000-5000: 15 members personally present

Number of members more than 5000: 30 members personally present

#### **If quorum not present, when meeting to be dissolved and when to be adjourned**

75. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

#### **Chairman of General Meeting**

76. The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

**When Chairman is absent**

77. If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

**Adjournment of meeting**

78. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

**Questions at General Meeting how decided**

79. At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

**Casting vote**

80. In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

**Taking of poll**

81. If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

**In what cases poll taken without adjournment**

82. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

**Votes**

83. a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
- b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
- c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.

**Business may proceed notwithstanding demand for poll**

84. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

**Joint holders**

85. In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

**Member of unsound mind**

86. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.

**No member entitled to vote while call due to Company**

87. No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**Proxies permitted on polls**

88. On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

**Instrument of proxy**

89. a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the signature of two Directors and/or the Company Secretary of the Company or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.
- b. A body corporate (whether a company within the meaning of this Act or not) may:
1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
  2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.

**Instrument of proxy to be deposited at the office**

90. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

**Validity of vote by proxy**

91. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

**Form of proxy**

92. Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

## DIRECTORS

**Number of Directors**

93. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

**a) Present Board of Directors**

- i. Mr. Rajagopal Reddy Annam Reddy
- ii. Mrs. Mydhili Rajagopal Reddy
- iii. Mr. Nageswara Rao Repuri
- iv. Mr. Mallikarjuna Katta

v. Mr. Kamleshkumar Kantilal Wakharia

vi. Mr. Venkata Rama Krishna Akella

**b) Same individual may be appointed as 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 of the Company.

94. Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

**Qualification of Directors**

95. Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

**Director's remuneration**

96. a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
- b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
- d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.

**Directors may act notwithstanding vacancy**

97. The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:

**Chairman of the Board**

98. The Board may from time to time appoint any Director to be the Chairman of the Board. The Chairman of the Board shall be subject to the same provisions as to resignation and removal as the other Directors, and he ipso facto, and immediately ceases to be the Chairman if he ceases to hold the office of Director for any cause.

**Casual vacancy**

99. If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

**VACATION OF OFFICE BY DIRECTORS**

**Vacation of office by Directors**

100. The office of a Director shall be vacated if:

1. he is found to be unsound mind by a Court of competent jurisdiction;



2. he applies to be adjudicated as an insolvent;
3. he is an undischarged insolvent;
4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
7. he has not complied with Subsection (3) of Section 152
8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
11. he becomes disqualified by an order of a court or the Tribunal
12. he is removed in pursuance of the provisions of the Act,
13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;  
notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:
  1. for thirty days from the date of the adjudication, sentence or order;
  2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
  3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

#### **Alternate Directors**

101. (a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.
- (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

#### **Independent Directors**

- (c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.
- (ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation.

#### **Women Director**

- (d) The Directors shall appoint at least one women director as per the requirements of section 149 of the Act.

#### **Key Managerial Personnel**

- (e) Subject to the provisions of the Act,—
  - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;



- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

#### **Additional Directors**

102. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.

#### **Proportion of retirement by rotation**

- a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.

#### **Debenture**

103. Any trust deed for securing debentures or debenture-stocks may, if so arranged, 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 of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is 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 bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

#### **Corporation/Nominee Director**

104. a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as "The Corporation") out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or installments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).
- b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and 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.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation 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 moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to 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 so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

- c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed,

at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.

#### **Disclosure of interest of Directors**

105. a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest. Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.
- b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

#### **Rights of Directors**

106. Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

#### **Directors to comply with Section 184**

107. Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.

#### **Directors power of contract with Company**

108. Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

### **ROTATION OF DIRECTORS**

#### **Rotation and retirement of Directors**

109. At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

#### **Retiring Directors eligible for re-election**

110. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

#### **Which Directors to retire**

111. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

#### **Retiring Directors to remain in office till successors are appointed**

112. Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

#### **Power of General Meeting to increase or reduce number of Directors**

113. Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.

#### **Power to remove Directors by ordinary resolution**

114. Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

#### **Rights of persons other than retiring Directors to stand for Directorships**

115. Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be “along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution”.

#### **Register of Directors and KMP and their shareholding**

116. The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

#### **Business to be carried on**

117. The business of the Company shall be carried on by the Board of Directors.

#### **Meeting of the Board**

118. The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.

#### **Director may summon meeting**

119. A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

#### **Question how decided**

120. a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
- b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

#### **Right of continuing Directors when there is no quorum**

121. The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.

#### **Quorum**

122. The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

### **Election of Chairman to the Board**

123. If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

### **Chairman Emeritus**

#### **123 A.**

- (1) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company.
- (2) The Chairman Emeritus shall hold office until he resigns his office or a special resolution to that effect is passed by the members in a general meeting.
- (3) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote and shall not be deemed to be a party to any decision of the Board or Committee thereof.
- (4) The Chairman Emeritus shall not be deemed to be a director for any purposes of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.
- (5) The Board may decide to make any payment in any manner for any services rendered by the Chairman Emeritus to the Company.
- (6) If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus.”

### **Power to appoint Committees and to delegate**

124. a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

#### **Delegation of powers**

- b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.
- c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

### **Proceedings of Committee**

125. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.

### **Election of Chairman of the Committee**

126. a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
- b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

### **Question how determined**

127. a. A Committee may meet and adjourn as it thinks proper.
- b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

**Acts done by Board or Committee valid, notwithstanding defective appointment, etc.**

128. All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.

**Resolution by circulation**

129. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

**POWERS AND DUTIES OF DIRECTORS**

**General powers of Company vested in Directors**

130. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

**Attorney of the Company**

131. The Board may appoint at any time and from time to time by a power of attorney under the signature of two Directors and/or the Company Secretary of the Company, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

**Power to authorise subdelegation**

132. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

**Directors' duty to comply with the provisions of the Act**

133. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

**Special power of Directors**

134. In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.

**To acquire and dispose of property and rights**

135. a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

**To pay for property in debentures, etc.**

- b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the



Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

**To secure contracts by mortgages**

- c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.

**To appoint officers, etc.**

- d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.
- e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

**To refer to arbitration**

- f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

**To give receipt**

- g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.

**To act in matters of bankrupts and insolvents**

- h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

**To give security by way of indemnity**

- i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

**To give commission**

- j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.

**To make contracts etc.**

- k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

**To make bye-laws**

- l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.

**To set aside profits for provided fund**

- m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

**To make and alter rules**

- n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.
- o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

**Managing Director**

136. a. Subject to the provisions of Section 196,197, 2(94), 203 of the Act, the following provisions shall apply:

- b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.
- c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.
- d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.
- e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.
- f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

#### **Whole-time Director**

137. 1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.
2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

#### **Secretary**

138. The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.

#### **Powers as to commencement of business**

139. Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

#### **Delegation of power**

140. Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

### **BORROWING**

#### **Borrowing Powers**

141. a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the



paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

#### **Assignment of debentures**

142. Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

#### **Terms of debenture issue**

143. a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.
- c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.
- d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.

- e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.

**Charge on uncalled capital**

144. Any uncalled capital of the Company may be included in or charged by mortgage or other security.

**Subsequent assignees of uncalled capital**

145. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

**Charge in favour of Director of indemnity**

146. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

**Powers to be exercised by Board only at meeting**

147. a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.
- (a) to make calls on shareholders in respect of money unpaid on their shares;
  - (b) to authorise buy-back of securities under section 68;
  - (c) to issue securities, including debentures, whether in or outside India;
  - (d) to borrow monies;
  - (e) to invest the funds of the company;
  - (f) to grant loans or give guarantee or provide security in respect of loans;
  - (g) to approve financial statement and the Board's report;
  - (h) to diversify the business of the company;
  - (i) to approve amalgamation, merger or reconstruction;
  - (j) to take over a company or acquire a controlling or substantial stake in another company;
  - (k) to make political contributions;
  - (l) to appoint or remove key managerial personnel (KMP);
  - (m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
  - (n) to appoint internal auditors and secretarial auditor;
  - (o) to take note of the disclosure of director's interest and shareholding;
  - (p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
  - (q) to invite or accept or renew public deposits and related matters;
  - (r) to review or change the terms and conditions of public deposit;
  - (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.
  - (t) such other business as may be prescribed by the Act.
- b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.
- c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.
- d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.
- e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

**Register of mortgage to be kept**

148. The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

#### **Register of holders of debentures**

149. Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

#### **Inspection of copies of and Register of Mortgages**

150. The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

#### **Supplying copies of register of holder of debentures**

151. The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

#### **Right of holders of debentures as to Financial Statements**

152. Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

#### **Minutes**

153. a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
- b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

#### **Managing Director's power to be exercised severally**

154. All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.

### **MANAGER**

#### **Manager**

155. Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

### **DIVIDENDS AND RESERVES**

#### **Rights to Dividend**

156. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

#### **Declaration of Dividends**

157. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

#### **What to be deemed net profits**

158. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

#### **Interim Dividend**

159. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

**Dividends to be paid out of profits only**

160. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

**Reserve Funds**

163. a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising 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.
- b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

**Method of payment of dividend**

164. a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.

**Deduction of arrears**

165. 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 in relation to the shares of the Company or otherwise.

**Adjustment of dividend against call**

166. Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

**Payment by cheque or warrant**

167. a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

**Retention in certain cases**

168. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

**Receipt of joint holders**

- (A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:
- a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.

#### **Deduction of arrears**

169. Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

#### **Notice of Dividends**

170. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

#### **Dividend not to bear interest**

171. No dividend shall bear interest against the Company.

#### **Unclaimed Dividend**

172. No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

#### **Transfer of share not to pass prior Dividend**

173. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

### **CAPITALISATION OF PROFITS**

#### **Capitalisation of Profits**

174. a. The Company in General Meeting, may on the recommendation of the Board, resolve:
1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
  2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:
1. paying up any amount for the time being unpaid on any share held by such members respectively;
  2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
  3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).
- c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

#### **Powers of Directors for declaration of Bonus**

175. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and
  2. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:
1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
  2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.
- c. Any agreement made under such authority shall be effective and binding on all such members.

## ACCOUNTS

### Books of account to be kept

176. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
- b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
- c. The books of accounts shall be open to inspection by any Director during business hours.

### Where books of account to be kept

177. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

### Inspection by members

178. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

### Statement of account to be furnished to General Meeting

179. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

### Financial Statements

180. Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

### Authentication of Financial Statements

181. a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
- b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

### Auditors Report to be annexed

182. The Auditor's Report shall be attached to the financial statements.

### Board's Report to be attached to Financial Statements

183. a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.
- b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.
- e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.

### Right of member to copies of Financial Statements



184. The Company shall comply with the requirements of Section 136.

#### **ANNUAL RETURNS**

##### **Annual Returns**

185. The Company shall make the requisite annual return in accordance with Section 92 of the Act.

#### **AUDIT**

##### **Accounts to be audited**

186. **a.** Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- b.** Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- c.** At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
- d.** Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- e.** The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.
- f.** 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and
2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
- g.** The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- h.** A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.
- i.** The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- j.** Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.

##### **Audit of Branch Offices**

187. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

##### **Remuneration of Auditors**

188. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.

##### **Rights and duties of Auditors**

189. **a.** Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.
- b.** All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.



- c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:
1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
  2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.
- d. The Auditor's Report shall also state:
- (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
  - (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
  - (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
  - (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
  - (e) whether, in his opinion, the financial statements comply with the accounting standards;
  - (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
  - (g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;
  - (h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
  - (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
  - (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
  - (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.
- f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

**Accounts whether audited and approved to be conclusive**

190. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

**Service of documents on the Company**

191. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

**How documents to be served to members**

192. a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic

mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.

- b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- c. Where a document is sent by post:
  - i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;
    - a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
    - b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.

#### **Members to notify address in India**

193. Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

#### **Service on members having no registered address in India**

194. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

#### **Service on persons acquiring shares on death or insolvency of members**

195. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

#### **Notice valid though member deceased**

196. Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

#### **Persons entitled to Notice of General Meeting**

197. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;
- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
  - (b) the auditor or auditors of the company; and
  - (c) every director of the company.

Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

#### **Advertisement**

198. a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.

- b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

#### **Transference, etc. bound by prior notices**

199. Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

#### **How notice to be signed**

200. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

### **AUTHENTICATION OF DOCUMENTS**

#### **Authentication of document and proceeding**

201. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

### **WINDING UP**

#### **Winding up**

202. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities *pari-passu* and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

#### **Division of assets of the Company in specie among members**

203. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

### **INDEMNITY AND RESPONSIBILITY**

#### **Directors' and others' right to indemnity**

204. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurrable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.
205. Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or

misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

#### **SECRECY CLAUSE**

206. **a.** No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.
- b.** Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

#### **REGISTERS, INSPECTION AND COPIES THEREOF**

207. **a.** Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.
- b.** Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

#### **BUY-BACK OF SHARES**

208. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL AUTHORITY**

209. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company 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 regulation or clause in that behalf in this article.

## SECTION XIV – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus /Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at office at 716, Shivalik Satyamev, Near Vakil saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India from date of filing the Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date. Copies of below Material Contracts and Documents are also available on the website of the company on [www.vilil.in](http://www.vilil.in).

#### A. MATERIAL CONTRACTS

1. Issue Agreement dated March 26, 2024 executed between our Company and Book Running Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated March 18, 2024 executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated July 11, 2024, executed between our Company, Book Running Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated July 11, 2024, executed between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated July 11, 2024, executed between our Company, Book Running Lead Manager, and Underwriter.
6. Syndicate Agreement dated July 11, 2024 executed between our Company, Book Running Lead Manager and Syndicate Member
7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated August 21, 2023.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated August 21, 2023.

#### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated February 22, 2024 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on March 15, 2024.
3. Statement of Tax Benefits dated July 13, 2024 issued by our Peer Reviewed Auditors M/s. SVJK and Associates, Chartered Accountants Ahmedabad.
4. Copy of Restated Financial Statement – M/s. SVJK and Associates, Chartered Accountants, Ahmedabad for the year ended March 31, 2024, 2023, 2022 and 2021, dated July 13, 2024 included in the Red Herring Prospectus.
5. Copy of Audited Financial Statement for the year ended on March 31, 2024, 2023, 2022 and 2021.
6. Certificate from M/s. SVJK and Associates, Chartered Accountants, Ahmedabad, dated July 13, 2024 regarding Basis of Issue Price and Key Performance Indicators.
7. Certificate from M/s. SVJK and Associates, Chartered Accountants, Ahmedabad, dated July 13, 2024 regarding the Working Capital Requirement of the company.
8. Certificate from M/s PARY & Co., Chartered Accountants dated July 13, 2024 regarding the source and deployment of funds towards the objects of the Issue.
9. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, BRLM to the Issue, Registrar to the Issue, Banker to the Issue, Market Maker, Underwriter to the Issue and Syndicate member to the Issue to act in their respective capacities.

10. Due Diligence Certificate for the Draft Red Herring Prospectus from Book Running Lead Manager dated March 31, 2024 and Due Diligence Certificate from Book Running Lead Manager dated July 15, 2024 for Red Herring Prospectus addressing SEBI and NSE Emerge, as the case may be.

11. Copy of In-principle approval letter dated June 12, 2024 from the NSE.




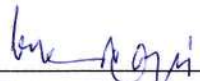
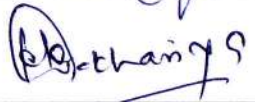
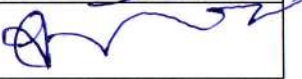
Any of the contracts or documents mentioned in the Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.






## DECLARATIONS

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Red Herring Prospectus are true and correct.

### Signed by the Directors of the Company:

Name	Designation	Signature
Mr. Rajagopal Reddy Annam Reddy	Chairman and Managing Director	
Mrs. Mydhili Rajagopal Reddy	Whole-Time Director	
Mr. Nageswara Rao Repuri	Whole-Time Director	
Mr. Mallikarjuna Katta	Independent Director	
Mr. Kamleshkumar Kantilal Wakharia	Independent Director	
Mr. Venkata Rama Krishna Akella	Independent Director	

### Signed by:

Name	Designation	Signature
Mr. Nageswara Rao Repuri	Chief Financial Officer	
Mr. Rajagopal Reddy Annam Reddy	Chief Executive Officer	
Ms. Anjali Mukeshbhai Samani	Company Secretary & Compliance Officer	

**Date:** July 15, 2024

**Place:** Ahmedabad