

**DRAFT RED HERRING PROSPECTUS**

Dated: March 30, 2024

Please read Section 26 and 32 of the

Companies Act, 2013

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

100% Book Built Issue

**SHUBHSHREE BIOFUELS ENERGY LIMITED**

(Formerly known as Shubhshree Bricks Private Limited)

CIN: U38210RJ2013PLC042232

Registered Office	Contact Person	Email and Telephone	Website
Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar (Jaipur), Jaipur, Rajasthan, India, 302019.	Aakrati Singhania, Company Secretary & Compliance Officer	<b>E-mail:</b> <a href="mailto:shubhshree@biomassfuel.co.in">shubhshree@biomassfuel.co.in</a> <b>Tel No:</b> +91 9799998880	<b>Website:</b> <a href="http://www.shubhshreebiofuels.co.in">www.shubhshreebiofuels.co.in</a>

<b>Promoters of the Company</b>	<b>ANURAG AGARWAL, AASTHA AGARWAL, SAGAR AGRAWAL, UPASNA SRIVASTAVA DATTANI.</b>
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DETAILS OF THE ISSUE				
Type	Fresh Issue Size (in ₹ lakhs)	OFS Size (by no. of Shares or by amount in ₹)	Total Issue Size (in ₹ lakhs)	Eligibility
Fresh Issue	Upto 13,92,000 Equity shares aggregating upto Rs. [●] Lakhs	Nil	₹ [●] Lakhs	This Issue is being made in terms of regulation 229(2) and 253(1) 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**

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Issue Price*” on page 79 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 25 of this Draft Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (“NSE EMERGE”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in principle” approval letter dated [●] from NSE (“NSE EMERGE”) for using its name in the Offer Document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (“NSE”).

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
 <b>Hem Securities Ltd.</b>	Sourabh Garg	<b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> ; <b>Tel. No.:</b> +91- 022- 49060000

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
 <b>Bigshare Services Pvt. Ltd.</b> <b>BIGSHARE SERVICES PRIVATE LIMITED</b>	Babu Raphael	<b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> ; <b>Tel No.:</b> +91-022-62638200

**BID/ISSUE PERIOD**

ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]*	BID/ISSUE OPENS ON: [●]	BID/ISSUE CLOSES ON: [●]**
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\* 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/Issue Opening Date.

\*\* Our Company, in consultation with the Book Running Lead Manager, 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.



## SHUBHSHREE BIOFUELS ENERGY LIMITED

(Formerly known as Shubhshree Bricks Private Limited)

CIN: U38210RJ2013PLC042232

Our Company was incorporated as 'Shubhshree Bricks Private Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation dated April 23, 2013, issued by the RoC, Rajasthan, Jaipur having CIN as U26933RJ2013PTC042232. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on October 9, 2023 the name of our Company was changed from "Shubhshree Bricks Private Limited" to "Shubhshree Biofuels Energy Private Limited" and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Rajasthan, Jaipur dated October 30, 2023. Subsequently, our Company was converted from a private limited company to a public limited company pursuant to a special resolution passed by the shareholders of our Company on January 18, 2024 and the name of the Company was changed from "Shubhshree Biofuels Energy Private Limited" to "Shubhshree Biofuels Energy Limited" vide fresh certificate of incorporation dated February 1, 2024 issued by the Registrar of Companies, Rajasthan, Jaipur. The Corporate identification number of our Company is U38210RJ2013PLC042232. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 115 of this Draft Red Herring Prospectus.

**Registered Office:** Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar, Jaipur, Rajasthan, India, 302019

**Tel No:** +91 9799998880; **E-mail:** [shubhshree@biomassfuel.co.in](mailto:shubhshree@biomassfuel.co.in) **Website:** [www.shubhshreebiofuels.co.in](http://www.shubhshreebiofuels.co.in);

**Contact Person:** Aakrati Singhania, Company Secretary & Compliance Officer

**Promoters of our Company:** Anurag Agarwal, Aastha Agarwal, Sagar Agrawal, , Upasna Srivastava Dattani.

### DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 13,92,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF SHUBHSHREE BIOFUELS ENERGY LIMITED ("OUR COMPANY" OR "THE ISSUER" OR "SBEL") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.55% AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND JAIPUR EDITION OF [●], A HINDI REGIONAL NEWSPAPER (HINDI BEING THE REGIONAL LANGUAGE OF JAIPUR WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"). FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, 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 website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net 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 to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 226 of this Draft Red Herring Prospectus.

### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 226 of this Draft Red Herring Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 79 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 25 of this Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated [●] from NSE ("NSE EMERGE") for using its name in the Offer Document for listing of our shares on the SME Platform of NSE ("NSE EMERGE"). For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").

### BOOK RUNNING LEAD MANAGER TO THE ISSUE

### REGISTRAR TO THE ISSUE

 **Hem Securities Ltd.**

 **Bigshare Services Pvt. Ltd.**

**HEM SECURITIES LIMITED**  
904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road,  
Lower Parel, Mumbai-400013, Maharashtra, India  
**Tel. No.:** +91- 022- 49060000;  
**Fax No.:** +91- 022- 22625991  
**Email:** [ib@hemsecurities.com](mailto:ib@hemsecurities.com)  
**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)  
**Website:** [www.hemsecurities.com](http://www.hemsecurities.com)  
**Contact Person:** Sourabh Garg  
**SEBI Regn. No.** INM000010981

**Bigshare Services Private Limited**  
**Address:** S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India.  
**Telephone:** +91 22 6263 8200; **Facsimile:** +91 22 6263 8299  
**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Contact Person:** Babu Raphael  
**SEBI Registration Number:** MB/INR000001385  
**CIN:** U99999MH1994PTC076534

### ISSUE PROGRAMME

**ANCHOR PORTION ISSUE OPENS/CLOSES ON:** [●]\*

**BID/ISSUE OPENS ON:** [●]

**BID/ISSUE CLOSES ON:** [●]\*\*

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

\*\* Our Company, in consultation with the Book Running Lead Managers, 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.

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**SECTION I – GENERAL**

**DEFINITIONS AND ABBREVIATIONS**

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, 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 Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 (“SCRA”), the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections “**Statement of Special Tax Benefits**”, “**Financial Information of the Company**” and “**Main Provisions of the Articles of Association**” on page 84, 140 and 260 respectively, shall have the meaning ascribed to such terms in these respective sections.

**General Terms**

<b>Terms</b>	<b>Description</b>
“the Company”, “our Company”, “the Issuer”, “SBEL”, “Shubhshree”, “we”, “us” and “our”	Shubhshree Biofuels Energy Limited, a Company incorporated in India under the Companies Act, 1956, having its Registered office at Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar, Jaipur, Rajasthan, India, 302019.
“you”, “your” or “yours”	Prospective investors in this Issue.

**Company related terms**

<b>Term</b>	<b>Description</b>
AOA / Articles / Articles of Association	Articles of Association of our Company, as amended, from time to time
Audit Committee	The Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled "Our Management" beginning on page 120 of this Draft Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s. Ravi Sharma & Co. Chartered Accountants (Firm Registration No. as 015143C).
Bankers to our Company	[•]
Board of Directors / the Board /our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled "Our Management" beginning on page 120 of this Draft Red Herring Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Jitendra Kumar Kumawat
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Aakrati Singhania (M. No.: A-68462)
Director(s) / Our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive director(s) on our Board, as described in “Our Management” on page 120 .
Group Companies	Our group companies as disclosed in the section “Our Group Companies” on page

	197.
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see “Our Management” on page 120 of this Draft Red Herring Prospectus.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled “Our Management” on page 120 of this Draft Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on March 23, 2024 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
MD or Managing Director	The Managing Director of our Company being, Sagar Agrawal
MOA /Memorandum / Memorandum of Association	Memorandum of Association of Shubhshree Biofuels Energy Limited as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled "Our Management" beginning on page 120 of this Draft Red Herring Prospectus
Non-Executive Director	Non-executive director(s) of our Company, as described in “Our Management” on page 120.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section “Our Promoters and Promoter Group” beginning on page 133 of this Draft Red Herring Prospectus.
Promoter(s)	Shall mean promoters of our Company i.e. Anurag Agarwal, Astha Agarwal, Sagar Agrawal and Upasna Srivastava Dattani. For further details, please refer to section titled "Our Promoters & Promoter Group" beginning on page 133 of this Draft Red Herring Prospectus.
Registered Office of our Company	The Registered Office of our Company situated at Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Jaipur, Rajasthan, India, 302019.
Restated Financial Statement	The restated financial information of the Company comprising of the restated financial statement of assets and liabilities as at September 30, 2023 , March 31, 2023, March 31, 2022 and March 31, 2021, the restated financial statement of profit and loss (including other comprehensive income), the restated financial statement of cash flows and the restated financial statement of changes in equity for the financial years ended September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and the summary of significant accounting policies and explanatory notes and notes to restated financial statement prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended
Risk Management Committee	The Risk Management Committee of our Company as described in the section entitled “Our Management” on page 120.
RoC/ Registrar of Companies	The Registrar of Companies, Jaipur, Rajasthan
Shareholders	Shareholders of our Company from time to time.
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled "Our Management" beginning on page 120 of this Draft Red Herring Prospectus
Subscriber to MOA	Initial Subscribers to MOA being Anurag Agarwal, Mohini Jain and Saket Dalmia.

**Issue Related Terms**

<b>Terms</b>	<b>Description</b>
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 a bidder as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders.
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 Exchange
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.
Allottee (s)	A successful bidder to whom the Equity Shares are allotted.
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 ₹ 20 Million.
Anchor Escrow Account / Escrow Account(s)	Account opened with Anchor Escrow Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
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 Prospectus
Anchor Investor Bid/Issue Period	One working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted 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 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.
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.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the Bid Amount extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor/ non-institutional investors linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor/ non-institutional investors Bidding through the UPI

	Mechanism.
ASBA Application Location(s)	Locations at which ASBA Applications can be uploaded by the SCSBs.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
Bankers to the Issue	Collectively, Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Bank and Refund Bank(s), as the case may be.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page 226 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period 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 Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid cum Application Form	The form in terms of which the Bidder has made a Bid, including ASBA Form, and which has been considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●], an English national newspaper, all editions of [●], a Hindi national newspaper and Jaipur Edition of [●], Hindi daily newspaper (Hindi being the regional language of Rajasthan, where our Registered Office is located) each with wide circulation, and in case of any revision, the extended Bid / Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
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, which shall be notified in all editions of [●], an English national newspaper, all editions of [●], a Hindi national newspaper and Jaipur Edition of [●], Hindi daily newspaper (Hindi being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid / Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid / Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bid/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
Bidder/ Investor/Applicant	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form unless otherwise stated or implied, includes an Anchor Investor.
	Centres at which the designated intermediaries shall accept the ASBA Forms, i.e.

Bidding Centres	Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process / Book Building Method	The book building route as provided under Schedule XIII of the SEBI (ICDR) Regulations, 2018 in terms of which this issue is being made.
BRLM/ Book Running Lead Manager	The Book Running Lead Manager to the Issue, namely Hem Securities Limited.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges at <a href="http://www.nseindia.com">www.nseindia.com</a>
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares to be sent to Successful Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bid/Issue Period.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Cash Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, and the Bankers to the Issue for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof.
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 Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the SEBI UPI Circulars, issued by SEBI, as per the list available on the websites of the Stock Exchanges, <a href="http://www.nseindia.com">www.nseindia.com</a> as updated from time to time.
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and of the SEBI UPI Circulars.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut – off Price. QIBs (including Anchor Investor) and Non – Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the Bidders father/husband, investor status, Occupation and Bank Account details.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, being NSDL and CDSL.
Depository Participant/ DP	A Depository Participant as defined under the Depositories Act.
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 website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
	The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Issue Account or the Refund Account(s), as appropriate, and the relevant amounts

Designated Date	blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Issue Account and/or are Unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus after finalization of basis of allotment with the Designated Stock Exchange.
Designated Intermediaries	<p>In relation to ASBA Forms submitted by RIIs and NIIs with an application size of upto ₹ 500,000 (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.</p>
Designated Locations	RTA 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 Branches	SCSB Such branches of the SCSBs which shall collect the ASBA Bid-Cum-Application Form (other than ASBA Forms submitted by the UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism) from the Bidder and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Exchange	Stock SME Platform of National Stock Exchange of India Limited (NSE Emerge)
DP ID	Depository Participant's identity number.
Draft Red Herring Prospectus	This draft red herring prospectus dated March 30, 2024 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible FPI(s)	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible NRI(s)	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder/Applicant/Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	The issue of up to 13,92,000 Equity Shares aggregating up to Rs. [●] lakhs by our Company for subscription pursuant to the terms of the Red Herring Prospectus.

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 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.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
Issue Agreement	The Issue Agreement dated March 18, 2024 between our Company and Book Running Lead Manager pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled "Objects of the Issue" beginning on page 71 of this Draft Red Herring Prospectus
Issue/ Public Issue/Issue size/Initial Public Offer/ Initial Public Offering/ IPO	The initial public offer of up to 13,92,000 Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] each aggregating up to Rs. [●] lakhs.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Proceeds	Proceeds received from the Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled "Objects of the Issue" beginning on page 71 of this Draft Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor

	Investors.
Non – Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non-Institutional Investors/ Non-Institutional Bidders	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion/ Non-Institutional Category	The portion of the Issue being not more than 15% of the Net Issue consisting of [●]*Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹200,000, subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations.  *Subject to finalization of Basis of Allotment
Overseas Corporate Body/ OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
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 (Floor Price) of Rs. [●] and the maximum price (Cap Price) of Rs. [●] and includes revisions thereof. The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the ASBA Accounts and from the Escrow Accounts in case of Anchor Investor(s), on the Designated Date.
Public Issue Account Bank	The bank with whom the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].
QIB Portion /QIB Category	The portion of the Issue (including the Anchor Investor Portion) being upto 50% of the Net Issue comprising [●]* Equity Shares which shall be allocated to QIBs (including Anchor Investors), on a proportionate basis, (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Manager), subject to valid Bids being received at or above the Issue Price.  *Subject to finalization of Basis of Allotment
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies

Red Herring Prospectus / RHP	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 to which Application monies are to be refunded to the Bidders.
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●]
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 and the SEBI UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated March 22, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.
Registrar/ Registrar to the Issue/ RTI	Bigshare Services Private Limited.
Retail Individual Bidders / RIBs / Retail Individual Investors / RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than Rs. 2,00,000/- in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
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), as applicable. QIBs and Non – Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Self-Certified Syndicate Bank(s) / SCSB(s)	<p>(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (<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>) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.</p> <p>(ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a></p> <p>Applications through UPI in the Issue can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.</p>
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time
Specified Securities	Equity shares issued through this Draft Red Herring Prospectus.
	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed

Sponsor Bank	by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [●].
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and / or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	Agreement to be entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bid cum Application Forms by the Syndicate Members.
Syndicate ASBA Bidding Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Syndicate or members of the Syndicate	Collectively, the BRLM and the Syndicate Members.
Systemically Important Non – Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Bidder as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	The BRLM and the Syndicate Members who have underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated March 18, 2024 entered between the Underwriter(s) and our Company.
UPI	Unified payments interface which is an instant payment mechanism, developed by the National Payment Corporation of India.
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion and (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular

UPI Circulars	number 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/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID created on UPI for single window mobile payment system developed by the National Payment Corporation of India.
UPI Mandate Request/ Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Issue in accordance with the UPI Circulars to make as ASBA bid in the Issue.
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Bid/ Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) In respect to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

**Technical and Industry Related Terms**

<b>Term</b>	<b>Description</b>
CAD	Current Account Deficit
COVID	Coronavirus disease
DME	dimethyl ether
EMDE	emerging market & developing economies
FAME	Fatty acid methyl ester
FTL	Fischer Tropsch liquids
GCV	Gross Calorific Value
IMF	International Monetary Fund
LPG	Liquified Petroleum Gas
Mm	millimeter
NCR	National Capital Region
US	United States

**Conventional terms and Abbreviations**

<b>Abbreviation</b>	<b>Full Form</b>
Rs. / Rupees/ INR / Rs.	Indian Rupees

AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx.	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BRLM	Book Running Lead Manager
NSE	National Stock Exchange of India Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder
Consolidated FDI Policy	The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.
CA	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
Cr.P.C.	Code of Criminal Procedure, 1973
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPPT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), GoI.
DP	Depository Participant
DP ID	Depository Participant's Identification Number

EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
Fis	Financial Institutions
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT	Information Technology
IT Act	Information Technology Act, 2000
IFRS	International Financial Reporting Standards
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time

IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LLB	Bachelor of Law
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order

PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
` or Rs.	Rupees, the official currency of the Republic of India
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SBO Rules	Significant Beneficial Owners, Rules, 2018
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SEBI	Securities and Exchange Board of India
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.

Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

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

**Certain Conventions**

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

In this Draft 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 Draft 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 Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our restated financial information prepared for the period ended September 30, 2023 and for the year ended March 31, 2023, 2022 and 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 140 of this Draft Red Herring Prospectus.

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 Draft 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 Draft 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*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 140 of this Draft Red Herring Prospectus. There are no subsidiaries of our Company as on date of the Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 260 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

**Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Draft 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 Draft 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 and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “*Basis for Issue Price*” on page 79 of the Draft 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.

### **Currency of Financial Presentation**

All references to “Rupees” or “INR” or “Rs.” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “*Industry Overview*” throughout the Draft Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” on page 25, 96 and 178 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018.

These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

### **FORWARD-LOOKING STATEMENTS**

This Draft Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Draft 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. However, these are not the exclusive means of identifying 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 the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in focus toward the Biomass fuels i.e. Biomass Pellets and Briquettes demand;
3. Any change in government policies resulting in increases in taxes payable by us;
4. Our ability to retain our key managements persons and other employees;
5. Changes in laws and regulations that apply to the Biomass fuels industry in which we operate.
6. Our failure to keep pace with rapid changes in technology;
7. Our ability to grow our business;
8. Our ability to make interest and principal payments and satisfy the covenants in our existing/future debt;
9. General economic, political and other risks that are out of our control;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. Company’s ability to successfully implement its growth strategy and expansion plans ;
12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
13. Inability to successfully obtain registrations in a timely manner or at all;
14. Occurrence of Environmental Problems & Uninsured Losses;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse legal proceedings initiated against our company or its promoters, directors and KMP’s;
17. Concentration of ownership among our Promoters;
18. The performance of the financial markets in India and globally; and
19. Impact of covid-19 on our business and operations.

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 25, 96 and 178 respectively of the Draft 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 or our Directors or our Officers or BRLM or 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 BRLM 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 DRAFT RED HERRING PROSPECTUS**

### **A. OVERVIEW OF BUSINESS**

Our Company is engaged in the business of supplying of biomass fuels, which includes biomass pellets and briquettes. These biomass fuels are an alternative source of energy which are basically used in commercial and industrial heating, cooking fuel, industrial burning and electricity generation, as an alternative to fossil fuels like coal, firewood, lignite, Agri-waste etc. The briquettes are majorly used for industrial purposes like running boilers etc. and the pellets are majorly used as cooking fuel or commercial purposes. We are currently selling these pellets and briquettes to customers who are engaged in the business of recycling material, textile processing, pharmaceutical, metal etc.

### **B. OVERVIEW OF THE INDUSTRY**

Biomass fuels provide a strategic advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth, as well as in meeting the energy needs of India's vast rural population. Biomass fuels can increasingly satisfy these energy needs in an environmentally benign and cost-effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security. The Indian approach to biomass fuels is based solely on non-food feedstocks to be raised on degraded or wastelands that are not suited to agriculture, thus avoiding a possible conflict of fuel vs. food security.

### **C. PROMOTERS**

Sagar Agrawal , Anurag Agarwal, Aastha Agarwal and Upasna Srivastava Dattani are the Promoters of our Company.

### **D. DETAILS OF THE ISSUE**

This is an Initial Public Fresh Issue of upto 13,92,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. [●] lakhs ("The Issue"), out of which [●] Equity Shares of face value of Rs. 10 each for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. [●] lakhs will be reserved for subscription by the market maker to the issue (the "Market Maker Reservation Portion"). The Issue less Market Maker Reservation Portion i.e. Issue of [●] Equity Shares of face value of Rs. 10 each, at an issue price of Rs. [●] per Equity Share for cash, aggregating to Rs. [●] lakhs is hereinafter referred to as the "Net Issue". The Public Issue and Net Issue will constitute 26.55% and [●] % respectively of the post- issue paid-up Equity Share capital of our Company.

### **E. OBJECTS OF THE ISSUE**

Our Company intends to utilize the Proceeds of the Issue to meet the following objects:-

Sr. No	Particulars	Amt (Rs. in Lacs)
1.	Funding Capital Expenditure towards installation of additional plant and machinery	206.99
2.	To meet Working Capital requirements	[●]
3.	General Corporate Purpose	[●]
	<b>Total</b>	<b>[●]</b>

### **F. PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP**

Our Promoters and Promoter Group collectively holds 38,50,000 Equity shares of our Company aggregating to 100.00% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Red Herring Prospectus:-

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held

	<b>Promoters</b>				
1.	Sagar Agrawal	12,82,750	33.32	12,82,750	[●]
2.	Aastha Agarwal	5,42,500	14.09	5,42,500	[●]
3.	Anurag Agarwal	5,42,500	14.09	5,42,500	
4.	Upasana Srivastava Dattani	12,82,750	33.32	12,82,750	
	<b>Sub Total (A)</b>	<b>36,50,500</b>	<b>94.82</b>	<b>36,50,500</b>	<b>[●]</b>
	<b>Promoters Group</b>				
5.	Kailash Chand Agarwal	1,22,500	3.18	1,22,500	[●]
6.	Sagar Agrawal HUF	38,500	1.00	38,500	[●]
7.	Kailash Chand Agarwal HUF	38,500	1.00	38,500	[●]
	<b>Sub Total (B)</b>	<b>1,99,500</b>	<b>5.18</b>	<b>1,99,500</b>	<b>[●]</b>
	<b>Grand Total (A+B)</b>	<b>38,50,000</b>	<b>100.00</b>	<b>38,50,000</b>	<b>[●]</b>

## **G. SUMMARY OF FINANCIAL INFORMATION**

Following are the details as per the restated financial statements for the period September 30, 2023 & financial years ended on March 31, 2023, 2022 and 2021:-

Sr. No	Particulars	All Amt. (Rs. in lakhs)			
		September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	1.00	1.00	1.00	1.00
2.	Net Worth	393.11	256.50	14.12	(13.35)
3.	Total Income (Revenue from operation)	4386.21	5971.24	791.83	18.50
4.	Profit/(loss) after tax	136.61	242.38	27.46	(1.97)
5.	Earnings per Share	3.55	6.30	0.71	(0.05)
6.	Net Asset Value per Share	10.21	6.66	0.37	(0.35)
7.	Total Borrowings (including current maturities of long term borrowings)	148.72	91.06	48.82	49.82

## **H. AUDITOR QUALIFICATIONS**

The Audited Financial Statement does not have any auditor qualification.

## **I. SUMMARY OF OUTSTANDING LITIGATIONS**

Our Company and group companies are involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Draft Red Herring Prospectus are as follows:

### **Litigations/Matters against our Company:-**

Nature of Cases	No. of Outstanding Cases	(Rs. in Lakhs)
		Amount in dispute/demanded to the extent ascertainable
Direct Tax	2	1.29

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

For further details, please refer to the chapter titled “**Outstanding Litigations and Material Developments**” on page 190 of this Draft Red Herring Prospectus.

## **J. RISK FACTORS**

For details on the risks involved in our business, please see the Chapter titled “**Risk Factors**” beginning on page 25 of this Draft Red Herring Prospectus.

**K. SUMMARY OF CONTINGENT LIABILITIES**

Amt. (Rs. in lakhs)

Particulars	As at			
	30-09-2023	31-03-23	31-03-22	31-03-21
Contingent liabilities in respect of:				
Guarantee Issued By Bank	-	-	-	-
Letter of Credit By Bank	-	-	-	-
<b>Total</b>	-	-	-	-

For further details, please refer to Note -28 Contingent Liabilities of the chapter titled “*Financial Information of the Company*” on page 140 of this Draft Red Herring Prospectus.

**L. SUMMARY OF RELATED PARTY TRANSACTIONS**

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

**Relationship:**

Name	Nature of Relationship
Aastha Agarwal	Director
Anurag Agarwal	Director
Kailash Chand Agarwal	Director Anurag Agarwal's Father
Trioventure Media Private Limited	Director Aastha Agarwal's Company
Salasar Industries	Director Anurag Agarwal's Brother Firm
Salasar Pellet Energy	Director Anurag Agarwal's Father Firm
Rajasthan Renewable Energy	Director Anurag Agarwal's HUF Firm
Sarita Agarwal	Director Anurag Agarwal's Mother
Sagar Agrawal	Director Anurag Agarwal's Brother
Palak Agarwal	Director Anurag Agarwal's Wife
Mohini Jain	Director in 2021

Volume of Transactions	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Director Remuneration	-	0.80	2.00	2.40
Loan Taken	184.50	137.00	-	0.32
Loan Repayment	144.59	120.28	1.00	4.01
Purchases	430.59	871.27	264.93	-
Sales	2.18	67.19	2.60	10.00
Rent	0.84	1.14	-	-
Commission Paid	16.47	34.26	-	-
Interest	1.24	2.19	-	-
Incentives	50.97	108.87	-	-

Nature of Transactions	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Aastha Agarwal</b>				
Director Remuneration	-	0.80	2.00	-
Loan Taken	-	5.00	-	-
Interest	0.30	0.23	-	-
<b>Anurag Agarwal</b>				
Director Remuneration	-	-	-	2.40
Loan Taken	27.50	60.00	-	0.32
Loan Repayment	27.50	60.28	1.00	4.01

Interest	0.37	0.70	-	-
<b>Kailash Chand Agarwal</b>	-	-	-	-
Loan Taken	15.00	50.00	-	-
Loan Repayment	25.09	40.00	-	-
Interest	0.46	1.18	-	-
Rent	-	0.60	-	-
<b>Kailash Chand Agarwal HUF</b>	-	-	-	-
Loan Taken	-	20.00	-	-
Loan Repayment	-	20.00	-	-
<b>Trioventure Media Private Limited</b>	-	-	-	-
Loan Taken	-	2.00	-	-
Interest	0.12	0.09	-	-
Commission Paid	16.47	34.26	-	-
<b>Salasar Industries</b>	-	-	-	-
Purchases	99.07	791.33	264.93	-
Sales	-	65.53	2.60	10.00
Incentives	-	108.87	-	-
<b>Salasar Pellet Energy</b>	-	-	-	-
Purchases	156.86	61.61	-	-
Sales	-	-	-	-
Incentives	25.10	-	-	-
<b>Rajasthan Renewable Energy</b>	-	-	-	-
Purchases	174.66	18.34	-	-
Sales	2.18	1.66	-	-
Incentives	25.87	-	-	-
<b>Saritha Agarwal</b>	-	-	-	-
Rent	0.84	0.54	-	-
<b>Sagar Agrawal</b>	-	-	-	-
Loan Taken	116.00	-	-	-
Loan Repayment	66.00	-	-	-
Interest	3.31	-	-	-
<b>Palak Agarwal</b>	-	-	-	-
Loan Taken	26.00	-	-	-
Loan Repayment	26.00	-	-	-

**Note:**

1. List of Related parties has been identified by the management and relied upon by the Auditor.
2. In case there is no transaction with any of the above related parties, only name of such related parties has been disclosed as required by AS- 18.

For further details, please refer to the Note 29 – Related Party Disclosures of chapter titled “*Financial Information of the Company*” on page 140 of this Draft Red Herring Prospectus.

**M. DETAILS OF FINANCING ARRANGEMENTS**

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

**N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR**

Sr. No.	Name of Promoters	Total No. of Equity Shares	Weighted Average Price (in ₹ per equity share)
1.	Sagar Agrawal	12,82,750	3.56
2.	Aastha Agarwal	5,40,500	3.12
3.	Anurag Agarwal	5,34,500	1.80
4.	Upasana Srivastava Dattani	12,82,750	3.57

#### **O. AVERAGE COST OF ACQUISITION OF SHARES**

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Sagar Agrawal	12,82,750	3.56
2.	Aastha Agarwal	5,42,500	3.15
3.	Anurag Agarwal	5,42,500	1.92
4.	Upasana Srivastava Dattani	12,82,750	3.57

#### **P. PRE IPO PLACEMENT**

Our Company is not considering any pre-IPO placement of equity shares of the Company.

#### **Q. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH**

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Name of Allottee	No. of Shares Allotted
January 12, 2024	37,40,000	10	-	Bonus Issue in ratio of 34:1	Anurag Agarwal	5,27,000
					Aastha Agarwal	5,27,000
					Sagar Agrawal	12,46,100
					Kailash Chand Agarwal	1,19,000
					Sagar Agrawal HUF	37,400
					Kailash Chand Agarwal HUF	37,400
					Upasna Srivastava Dattani	12,46,100

#### **R. SPLIT/ CONSOLIDATION OF EQUITY SHARES**

Not Applicable

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

Not Applicable

### **SECTION III: RISK FACTORS**

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 140, 96 and 178 respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Draft 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 as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue 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 particular consequences to you of an investment in our Equity Shares.*

#### **Materiality**

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

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

#### **Note:**

*The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 25 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 178 of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Restated Financial Statements”.*

- 1. We have a history of net losses in past and any losses or our inability to achieve profitability may have an adverse effect on our operations.*

*As per the financial statements, we have profit before tax of Rs. 183.59 Lakhs for period September 30, 2023, Rs 324.05 Lakhs for FY22-23 ,Rs 31.92 Lakhs for FY 21-22 and loss of Rs 1.67 Lakhs for FY 20-21. The company was incorporated in the year 2013 and was engaged in the business of construction material mainly fly ash bricks but our*

company has changed its business operations from selling of construction material to selling of biomass pellets and briquettes from FY 2021-22 onwards. With the increase in the operations in the Company we have started earning profits but, it is difficult for us to predict our future results of operations or the limits of our market opportunity. We expect our operating expenses to increase as we hire additional personnel, broaden our marketing efforts, expand our operations and infrastructure, and develop and expand its capabilities, expand our products and services which may impact our profitability in future. Any failure to increase our net revenue sufficiently to keep pace with our initiatives, investments, and other expenses could prevent us from achieving profitability or positive cash flow on a consistent basis in future periods.

- 2. The biomass fuel industry is a relatively new concept and is yet to have a defined market as compared to conventional fuels, on account of which we have to face resistance from the potential customers to switch to biomass fuel.***

Biomass fuel is relatively a new concept and is in an emerging stage to have a defined market in India as compared to other traditional sources of fuels such as coal, fossil fuels etc., which could have significant impact on the growth of our Company and our future business operations. Further, we often face resistance in persuading our potential customers to switch to biomass fuel from traditional conventional fuel, as such switching require them to make certain changes to their existing fuel feeding equipment and other operating patterns and convenience, which is perceived as a considerable factor for the users on the grounds of costs, man-power adaptability and training. However, in view of our management, the benefits of biomass fuel are far more than some basic adaptation challenges as depletion of fossil fuel and environmental degradation has necessitated introduction of biomass fuel in industry, but there remains a risk that the price of fossil fuels such as crude prices could decline, rendering biomass fuels non-competitive and expensive.

- 3. Our Company is engaged in the business of supplying of biomass fuels and has commenced manufacturing of pallets during last one year. The manufacturing activity may take stabilizing period and also the company do not have long term supply agreements with suppliers which may have an adverse effect on the business operations and profits of the company.***

Our Company has recently entered into the manufacturing of biomass fuels during the period October 2023, prior to the same our company was engaged in the business of supplying of biomass fuel viz. bio-pellets & briquettes, which are procured by us from different third party vendors. For instance, in F.Y.2020-21, F.Y. 2021-22, F.Y. 2022-23 and stub period September 2023, we have purchased entire biomass fuels from third party vendors, which constitutes 100% of our total purchases. However, our Company has now started its own manufacturing unit of bio-pellets & briquettes, post the starting of the manufacturing facility we have manufactured approximately 12090 tonnes and sold approximately 50600 tonnes of biomass fuels, which represents 23.8% of the total sales in quantity terms for the period October 2023 to February 2024. For details in respect of our manufacturing unit and capacity, please refer to chapter titled "Our Business" on page 96 of this Draft Red Herring Prospectus.

Although, we have started our manufacturing facility but we still rely on third party suppliers for major portion of our sales revenue. However, the reliance on the third party suppliers for the supply of biomass fuels may lead to significant disruption, or, in the event of a disruption, that we may not be able to locate alternative suppliers of the same or comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices. Further, we have not entered into any exclusive agreement or any other long term supply agreement with these third party suppliers in respect of procurement of bio-pellets or briquettes and we typically transact on an invoice basis for each order. Any disruption in the adequate and timely supply of bio pellets or briquettes may adversely affect our business and results of operations.

- 4. Significant portion of our revenue is generated from few of our key clients. The loss of any such key clients, significant reduction in the demand for our products from such clients or deterioration in their financial condition may adversely affect our business, financial condition, result of operations and cash flows.***

We derive and may continue to derive a significant portion of our revenue from a relatively limited number of clients. For the period September 30, 2023, FY 22-23, FY 21-22 and FY 2020-21 our top 5 customers contributed to 70.57%, 62.86%, 66.94%, and 92.49% of our revenue from operations. Further Company sold approx. 59.08%, 49.64%, 34.46% and Nil in period September 30, 2023, FY 2022-23, FY 2021-22, and FY 2020-21 respectively to our top one

customer. Significant dependence on certain clients may increase the potential volatility of our results of operations, if we are unable to expand the volumes of our business with our existing clients, maintain our relationship with our key clients or diversify our client base. Further, any significant reduction in demand for our products from our key clients, any requirement to lower the price offered by these clients, or any loss or financial difficulties caused to these clients, or bad debts of the dues from these clients, or change in relationship with the clients could have a material adverse effect on our business, result of operations, financial conditions and cash flow. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations.

However, the composition and revenue generated from these customers might change as we strive to add new customers in the normal course of business. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods, or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

**5. *We generate almost entire of our sales from our operations in certain geographical regions especially Northern India and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

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

**6. *Our business is subject to seasonal variations that could result in fluctuations in our results of operations.***

Our businesses are subject to seasonal variations. For example, the raw material we use for production of our bio pellets and briquettes are majorly derived from agricultural produces and agricultural waste. The Agri-products or agricultural waste availability is to a large extent depends on the season, as different crops have different sowing and harvesting season. Though, we maintain sufficient quantity of raw material for efficient running of our machinery. However, in case we are not able to properly estimate demand and there is a shortage of raw material due to seasonal availability or prices are higher due to availability of lesser than required quantities may have an adverse effect on our production cycle and sales. As a result of such seasonal fluctuations, our results of operations may also vary by fiscal quarter and the results of any given fiscal quarter may not be relied upon as indicators of the results of operations of other fiscal quarters or of our future performance.

**7. *We have a limited operating and financial history, which makes it difficult to evaluate our business and future operating results on the basis of our past performance.***

Our Company was earlier engaged in the business of manufacturing and supply of fly ash bricks, later during the year 2021 the company looking towards the opportunity in the bio pellets and briquettes business started the supply of the same and has now foray into the manufacturing of the bio-pellets and briquettes w.e.f. October 2023. Thus, our limited financial and operating history may not provide an accurate basis for investors to understand our business and financial

history for comparative analysis and evaluate our future business and financial prospects. Due to the change in business activities and starting of the manufacturing activities, our past performance should not be construed as an indication of our future performance. Accordingly, investors should evaluate our business and prospects in light of the risks, uncertainties and difficulties frequently encountered by novel companies. Our failure to address these risks and uncertainties successfully could adversely affect our business, prospects, results of operations and financial conditions.

**8. *We are yet to apply for (or renew) certain regulatory licenses, registrations and approvals in respect of our business operations. Failure to obtain or maintain licenses, registrations, permits and approvals may severely affect our business and results of operations.***

We require various statutory and regulatory licenses, permits and approvals to operate our business. We need to make compliance and applications at appropriate stages of our business to relevant regulatory authorities. 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. Further any default by our Company in complying with the same may result in the cancellation of such licenses, registration and imposition of penalties which may adversely affect our operations and financial strength. Our Company is yet to apply for registration under the Contract labour as principle employer, Shop act registration, trade license and fire NOC for gurugram office and apply for factory license for our manufacturing facility, further, we have also made application for consent to establish from the Pollution control Board. Any failure to apply for and obtain the required consents and registrations or any cognizance being taken by the concerned authorities for non-registration could result in levy of penalties and other legal proceedings which may adversely affect our business, financial condition, results of operations and prospects. Further, we need to change the status of our company from private limited to public limited in some of our registration certificates pursuant to the conversion of the company. Any delay or failure to do so could have an adverse effect on our business and results of operations. For further details, please refer to Chapter titled “Government and Other Approvals” beginning on page 193 of the Draft Red Herring Prospectus.

**9. *We have not placed orders for the purchase of plant and machinery for which part of the funds are being raised through the Issue.***

Our Company has identified the machineries to be acquired and has received the quotations from the suppliers, but we have not placed final orders for all the machineries, equipment’s and utilities aggregating to Rs. 206.99 lakhs which is approximately [●]% of the Issue Proceeds are proposed to be acquired for our expansion plan by utilization of Issue Proceeds. Our Company is further subject to risks on account of inflation in the price of plant and machinery.

Since the part funding for the plant and machinery is from the IPO proceeds, any delay in access to IPO proceeds may eventually delay the process of placing the orders. The purchase of machineries and equipment’s would require us to consider factors including but not limited to pricing, delivery schedule and after-sales maintenance. There may be a possibility of delay at the supplier’s end in providing timely delivery of these machineries, equipment’s and utilities, which in turn may delay the implementation of our expansion plan. Further, the quotations relied upon by us in arriving at the total cost of machineries, equipment’s and utilities are valid for a specific period of time and may lapse after the expiry of the specific period. Consequent upon which, there could be a possible escalation in the cost of machineries and equipment’s proposed to be acquired by us at the actual time of purchase, resulting in increase in the cost, which may result in cost overruns, and may affect our profitability. For further details read section “Objects of the Issue” beginning on page 71 of the Draft Red Herring Prospectus

**10. *We do not own the Registered office, other Offices and manufacturing facility from which we carry out our business activities. Any termination or dispute in relation to these rental agreements may have an adverse effect on our business operations and results thereof.***

We do not own the Registered office, other Offices and manufacturing facility from which we operate. The said offices and the manufacturing facility are taken by us on lease/rent basis along with certain plant and machinery installed in the manufacturing facility from our promoter group and certain third parties. As per the leave & license agreements, non-payment or default in payment of rentals or violation of any term of rent agreement may require us to vacate the said premises which may cause disruption in our manufacturing activities, corporate affairs and business and impede our effective operations and thus adversely affect our profitability. We also cannot assure that lessor will not terminate

the rental agreement prior to expiry or at the time of expiry of the agreement, which would require us to locate to another premise and may have an adverse effect on conducting our business operations. For further details regarding the premises, please refer to chapter “Our Business” on page 96 of this Draft Red Herring Prospectus.

***11. Any rise in costs or a deficiency in the availability of the raw materials we procure could impact our company's sales, profitability, and operational results in an adverse manner.***

Our Company is dependent on third party suppliers for procuring the raw materials which are used for the manufacturing of the pellets and briquettes. We are exposed to fluctuations in the prices of these materials as well as its unavailability, particularly as we typically do not enter into any long-term supply agreements with our suppliers and our major requirement is met in the spot market. The cost and availability of such materials are subject to a variety of factors and any increase in their cost and their availability at a reasonable price or at all, could adversely affect our margins, sales and results of operations. There can be no assurance that strong demand or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of materials. If we were to experience a significant or prolonged shortage of such materials from our suppliers, and we cannot procure the products from other sources, we would be unable to meet our execution schedules and to deliver our products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. Any change in the supplying pattern of our products can adversely affect our business and profits.

***12. We have had certain inaccuracy in relation to regulatory filings and our company has made non-compliances of certain provision under applicable law.***

There are few discrepancies noticed in some of our corporate records relating to forms filed with the Registrar of Companies, which for instance, few of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the Annual Returns filed by our Company in past years. Also, some discrepancies in relation to appointment of Directors like improper resolutions due to clerical errors were attached in e-forms. Further, Our company has not complied with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor for instance, our Company has not filed Form CHG-1 for creation of charge on vehicle loans taken in the past, which is non-compliance of section 77 of the Companies Act, 2013 read with rules made thereunder and attracts penalty under section 86 of the Companies Act, 2013, although the Company have as on date repaid this loan in full. The Company has failed to comply with the requirements of Specified Companies (Detailed information regarding payment to micro and small enterprise suppliers) Order, 2019 dated January 22, 2019 issued under Section 405 of The Companies Act 2013 to file the form MSME 1 for every half year after the initial return upto January, 2019. Further Company has not filed the form MGT-7 Annual return for period 2022-23 due to the MCA technical errors.

Further, the share transfer deed in respect to transfer of shares of our Company in the year 2018-19 and 2021-22 are not traceable. Accordingly, we have relied on the other corporate records maintained by the Company such as statutory registers and the forms filed with RoC to ascertain the information for the missing corporate records.

Although, no show cause notice in respect of the above has been received by the Company till date, any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.

Our company has not complied with certain Accounting Standards such as AS-15 in the past, however the same have been duly complied by the company in the accounts for Financial year 2022-23 and restated financial statements. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

***13. We have not taken any insurance coverage to protect us against certain operating hazards and this may have a material adverse effect on our business.***

We have not taken any insurance for any assets located at our guest house situated at: Plot No. 420, 3rd Floor, Office No. 301, Ram Sati Nagar, Near 200ft bye-pass, Jaipur 302019 and the office space situated at 2nd Floor of CLC Tower, Plot No. 146 , Sector 44, Gurugram. In addition, we have not taken any insurance for burglary insurance, key

man policy for its key management personnel and group personal accident insurance policy. If any uncertainty arises including losses arising on account of third party claims, the same may adversely affect our operation, results and financials as we may incur loss due to uncertainty or be required to make substantial payments and our results of operations and financial condition may be affected. For further information, see the section titled “Our Business” on page 96 of this Draft Red Herring Prospectus.

**14. *Our Promoter Group Entities are engaged in the line of business similar to our Company. There are no non-competes agreements between Our Company and such entities. We cannot assure that our Promoters will not favour the interests of other entities over our interest or that the said entities will not expand, which may increase our competition and may adversely affect business operations and financial condition of our Company.***

Our promoter group entities namely Salasar Pellet energy, Salasar industries and Rajasthan Renewable Energy are engaged in similar line of business as of our Company. We have not entered into any non-competes agreement with the said entities. We cannot assure that our Promoters who have common interest in said entities will not favour the interest of the said entities. As a result, conflicts of interests can arise on account of common suppliers/customers and in allocating business opportunities amongst our Company and such entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other entities in which our Promoter has interests. There can be no assurance that our Promoter or our Promoter Group entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

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

Our Company’s business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. We are engaged in the business of supplying of bio pellets and briquettes which require large amount of working capital being involved in trade receivable and inventory. We have recently entered into the manufacturing of the bio pellets and briquettes due to which we have started keeping inventories. Maintaining sufficient inventory is critical for our operations which could act as a buffer against any supply disruptions. Any failure on our part to effectively manage our inventory in response to changing market scenario may have an adverse effect on our financial condition and may even lead to loss of business and increase the costs of our operations. During the period ending September 30, 2023 and FY 2022- 23, 2021-22 and 2020-21 our inventories were ₹ 32.50 lakhs, ₹ 8.11 lakhs, ₹ 8.11 lakhs and ₹ 12.80 lakhs.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the period ending September 30, 2023 and FY 2022-23, 2021-22 and 2020-21 our trade receivables were ₹ 378.21 Lakhs, ₹ 336.40 lakhs, ₹ 123.92 lakhs and ₹ 18.38 lakhs respectively.

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on the part of the clients to make payment of the amount dues may lead to legal consequences with our customers. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

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

Our Company has entered into various transactions with our Directors, Promoters, Promoter Group and Group

Company. These transactions, inter-alia includes sales, purchase, remuneration, rent payments, loans and advances, reimbursement of expenses etc. For details, please refer to “Note 25 – Restated Statement of Related Party Disclosures” under Section titled “Financial Information of the Company” and Chapter titled “Capital Structure” beginning on page 140 and 58 respectively of this Draft Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution. While we believe that all such transactions have been conducted on an arm’s length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

***17. We depend on third parties for a major portion of our transportation needs. Any disruptions may affect our operations, business and financial condition.***

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation of our finished products to our customers. For this purpose, we hire services of transportation companies. However, we have not entered into any definitive agreements with any third party transport service providers and engage them on a needs basis. Additionally, the cost of our goods carried by such third party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost efficient manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events. Although we have not experienced any disruptions in the past, but any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby affecting our operations, profitability, reputation and market position.

***18. Any delay or default in payment from our customers could result in the reduction of our profits and affect our cash flows.***

Our operations involve extending credit to our customers, for instance, our Debtors collection period has remained around 363 days in F.Y. 2020-21, 57 days in FY 2021-22, 21 days in FY 2022-23 and 32 days in September 30, 2023. For the Fiscal Year ended 31st March, 2021, 31st March 2022, 31st March 2023 and for the period September 30, 2023, our total trade receivables as at the end of the respective year were Rs. 18.38 lakhs, Rs. 123.92 lakhs, Rs. 336.40 lakhs and Rs. 378.21 lakhs respectively, which constituted 99.40%, 15.7%, 5.7% and 8.7% respectively of our revenues from operations as per Restated Financial Statements. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Accordingly, we had and may continue to have high levels of outstanding receivables. In case of any delay or default is made in payment by our Customers or if our management fails to accurately evaluate the credit worthiness of our customers, the same may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

***19. The absence of entry barriers into bio-pellets or briquettes production may attract players from both organized and unorganized sectors which can escalate competition and resultant price pressure on the products.***

There are no entry barriers for setting up bio-pellets or briquettes production unit. Plant and machinery required for setting up of these biomass fuels could be easily be installed at lower cost and lesser time. Further, in order to promote biomass fuel culture in our country, the Government often provides various incentives and exemptions to companies engaged in this business. Thus, due to such exemptions, incentives and low entry barriers, many players from the organized as well as the un-organized sector may enter this industry. The entry of these players may result in competition and can create price pressure on the products. The management, however, believes that setting up of a sustainable bio-pellet or briquettes unit is dependent on several factors which may help grow our business but in case

of any adverse development which are beyond our control, this may have an adverse effect on our business, results of operations and financial position.

**20. Our Company is involved in certain legal proceedings.**

Our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and forums. Mentioned below are the details of the proceedings involving our Company as on the date of this Draft Red Herring Prospectus along with the amount involved, to the extent quantifiable.

**Litigations/Matters against our Company:-**

<b>(Rs. in Lakhs)</b>		
<b>Nature of Cases</b>	<b>No. of Outstanding Cases</b>	<b>Amount in dispute/demanded to the extent ascertainable</b>
Direct Tax	2	1.29

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus.

For further details of litigation proceedings, please refer the chapter titled “Outstanding Litigations and Material Developments” on page 190 of this Draft Red Herring Prospectus

**21. Any loss of or breakdown of our machineries, at our manufacturing facility may have an adverse effect on business, financial condition and results of operations.**

All our plant and manufacturing facility are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, industrial accidents and the need to comply with directives issued by the government authorities. The occurrence of any of these risks could significantly affect our operating results. Although, we have taken precautions to minimize the risks of any significant operational issues at our manufacturing facility, our business and operations may be adversely affected by any disruption of operations at manufacturing facility. For further details about business of our Company, please refer chapter titled “Business Overview” beginning on page 96 of this Draft Red Herring Prospectus.

**22. Introduction of alternative biomass fuel products caused by changes in technology or consumer needs may affect demand for our existing product which may adversely affect our financial results and business prospects.**

Our business is affected largely by transformations in biomass fuel technology and dynamic consumer needs. Our ability to anticipate such changes and to switch to alternative products or technology successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we will be able to keep pace with the technological advances that may be necessary for us to remain competitive. Further, any substantial change in preference of consumers who are end users of our products for any reason including significant reduction in coal, crude oil and fuel prices making substitute products more financially viable can affect the demand for our products. Any failure to forecast and/or meet the changing demands in biomass fuel businesses and consumer needs may have an adverse effect on our business, profitability and growth prospects.

**23. Our Promoters, Directors and Key Management Personnel have interest in our Company, other than reimbursement of expenses incurred or remuneration.**

Our Promoters and promoter group members hold 100% of our pre-issue equity share capital and is therefore interested to the extent of the equity shares held by it in our Company and dividend entitlement. Our Promoters, Directors and Key Management Personnel can also be interested in transactions such as advancing of loans to the Company, lease rent for properties given on rent by them to the Company, sales and purchase undertaken with the promoter group entities and benefits deriving from the directorship in our Company. Our Promoters are interested in the transactions entered into our Company and our Promoter Group. For further information, please refer to the section titled “Our Business”, “Our Promoters and Promoter Group” and “Note 28 – Restated Statement of Related Party Disclosures”,

beginning on pages 96, 133 and 165 respectively of this Draft Red Herring Prospectus.

**24. We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.**

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Persons for executing our day to day activities. The loss of any of our Promoter and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “Our Management” on page 120 of this Draft Red Herring Prospectus.

**25. We have had negative net cash flows in the past and may continue to have negative cash flows in the future**

The following table sets forth our cash flow for the periods indicated:

(Amount in ₹ Lakhs)

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash flow from operating activities	51.61	98.82	38.08	2.57
Net cash flow from investing activities	(55.13)	(45.91)	(3.43)	(2.33)
Net cash flow from financing activities	28.35	32.10	(1.01)	(3.70)

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 140 and 178, respectively of this Draft Red Herring Prospectus.

**26. Our Company’s logo is not registered under Trade Marks Act, 1999, as on date of Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property.**



As on date of Draft Red Herring Prospectus, we have made an application for the registration of our logo under the Trade Marks Act, 1999 which is pending for registration, hence, we do not enjoy the statutory protections accorded to a registered logo. There is no guarantee that the application for registration of our logo will be accepted in favour of the Company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to detect any unauthorized use or our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed.

**27. Information relating to our production capacities included in this Draft Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off, and thus our future production and capacity utilization may vary. Further, we not be able to efficiently utilize the installed capacity due to any reason beyond our control.**

Information relating to our production capacities and capacity utilization of our production facility included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities of our facility. Undue reliance should therefore not be placed on our production capacity or historical

estimated capacity utilization information for our existing facilities included in this Draft Red Herring Prospectus. For further information, see the section titled “Our Business” on page 96 of this Draft Red Herring Prospectus.

**28. *Certain documents in relation to educational qualifications and experience for certain of our Directors and Key Management Personnel are not available and reliance has been made on declarations and affidavits furnished by such Directors and Key Management Personnel for details of their profiles included in this Draft Red Herring Prospectus.***

Our Independent Director Rajesh Jain and Vijay Jain has been unable to trace copies of documents pertaining to their educational qualifications and prior experience. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by them to us, to disclose details of their educational qualifications and professional experience in this Draft Red Herring Prospectus. We have been unable to independently verify these details prior to inclusion in this Draft Red Herring Prospectus. Further, there can be no assurances that our Directors and Key Management Personnel will be able to trace the relevant documents pertaining to their qualifications and prior experience in future, or at all.

**29. *Our Group Company has incurred losses in the past and has negative networth as on March 31, 2023.***

Our Group Company, Shubh Colonizers Private Limited has incurred loss in the past and thus has Negative Net worth as on March 31, 2023. For details, please refer to chapter titled “Our Group Company” beginning on page 197 of this Draft Red Herring Prospectus. We cannot assure you that our Group Companies will not incur losses or have negative net worth in the future.

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

In the preceding 12 months, we have made an allotment of 37,40,000 Equity Shares as bonus issue which are issued at a price which will be below the Issue price. For details relating to list of allottees, date of allotment etc. please refer to section titled “Capital Structure” on page 58 of this Draft Red Herring Prospectus.

**31. *The unsecured loan availed by our Company from Directors may be recalled at any given point of time.***

Our Company has been availing unsecured loans from Directors from time to time. The total outstanding payable to them as on September 30, 2023 amounts to Rs. 93.96 Lakhs as per Restated Financials Statement. Although there are no terms and condition prescribed for repayment of unsecured loan from our Director and Promoter which can be recalled at any given point of time during ordinary course of business. Further, our promoters are currently not charging any interest on the loan provided to the company but if in future they start charging interest on the loan provided by them, then this may affect the profitability, business operations and financial performance of our Company. For further details regarding loans availed by our Company, please refer “Financial Information of our Company” on page 140 of this Draft Red Herring Prospectus.

**32. *A shortage or non-availability of electricity or power may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations require a significant amount and continuous supply of electricity and power and any shortage or non-availability may adversely affect our operations. We currently source our power requirements from state electricity boards for majority of our energy requirements. But we cannot assure you that our facility will be operational during power failures. Any failure on our part to obtain alternate sources of electricity, fuel or power, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

**33. *Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.***

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, air and water discharges and other aspects of our operations. Although no accidents /incidents occurred in past in our company

and we also believe that we have implemented safety related measures, any accidents at our facilities may result in personal injury or loss of life of our employees or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. Additionally, adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition.

**34. *We may not be able to effectively implement our business and growth strategies and achieve future growth.***

We operate in a dynamic industry, and on account of changes in market conditions, industry parameters, or technological improvements, our management is required to continually assess our strategies to position us for future growth. Our business strategy is to expand our presence in different states and add new customers to our bucket so that we can expand our business and reduce our reliance on a limited number of customers. Our growth strategies and plans may undergo changes or modifications from time to time, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations and any failure to do so may limit future growth and have an adverse effect on our business. Further, revenues may not grow as quickly as we currently expect, and we may be incorrect in our assumptions and expectations of consumer requirements and changing technologies. Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

**35. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, future cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013.

We may retain all future earnings, if any, for use in the operations and expansion of the 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 and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 139 of the Draft Red Herring Prospectus.

**36. *We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties.***

Fraud or other misconduct by our employees, such as unauthorized business transactions, bribery may be difficult to detect or prevent. It could subject us to financial loss while seriously damaging our reputation. While we have not experienced any material instances of fraud or other misconduct in the past, we cannot assure you that fraud or other misconduct will not occur in the future. Any such event may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and effect our business. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and consequently, our business, financial condition, results of operations and prospects.

**37. *The Promoters and the Promoter Group may retain majority control of the Company after the Issue, and may have interests that are adverse to, or conflict with, the interests of other shareholders.***

After the completion of the Issue, the Promoters and the Promoter Group may continue to hold a majority of our issued and paid-up equity share capital. For further details of their current shareholding, see the section entitled “Capital Structure” on page 58. The Promoters will have the ability to exercise significant control over our business and all matters requiring shareholder approval, and may cause us to take actions that are not in, or may conflict with, our or our shareholders’ best interests, including matters relating to our management and policies and the election of our directors and senior management, the approval of lending and investment policies, revenue budgets, capital expenditure, dividend policy, strategic acquisitions and fund raising activities. The extent of their shareholding in our Company may also delay, prevent or deter a change in control, even if such transaction is beneficial to other shareholders.

Further, the interest of our Promoters as our controlling shareholders could also conflict with our interest or the interest of our other shareholders. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour and they may take actions that are not in the best interest of our Company or that of our other shareholders.

***38. If we are unable to maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.***

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports, and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our shares.

***39. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval.***

We propose to utilize the Net Proceeds for the following purposes:

- Capital expenditure towards purchase of additional Machinery; and
- For working Capital Requirement
- General corporate purposes.

For further details of the proposed objects of the Issue, see the section titled “Objects of the Issue” on page 71. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected.

Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

***40. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.***

Our Company is engaged in manufacturing and production which attracts tax liability such as Goods and Service Tax and Income Tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contribution with Provident Fund and ESI. Though, we have deposited the required returns under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

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

The details of average cost of acquisition of Equity Shares of our Promoters are as under:

<b>Sr. No.</b>	<b>Name of the Promoters</b>	<b>No. of Shares held</b>	<b>Average cost of Acquisition (in ₹)</b>
1.	Sagar Agrawal	12,82,750	3.56
2.	Aastha Agarwal	5,42,500	3.15
3.	Anurag Agarwal	5,42,500	1.92
4.	Upasana Srivastava Dattani	12,82,750	3.57

Accordingly, our Promoters' average cost of acquisition of Equity Shares in Company may be lower than the Issue Price decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and buildup of Equity Shares by our Promoters in our Company, please refer to the chapters "Capital Structure" beginning on pages 58 of this Draft Red Herring Prospectus.

**42. *Our company has encountered challenges in meeting the designated timelines for filing statutory returns, which may subject us to penalty under the relevant laws.***

There have been delays in filing GST, EPF and ESIC returns by our Company. After conducting an internal review, we have identified that the primary reasons for these delays are related to reconciliation and operational issues. Delays in the submission of these returns may result in financial penalties and potential legal consequences, which may affect our operations. Furthermore, delayed provident fund and ESIC returns can adversely affect our relationship with regulatory authorities, potentially leading to increased scrutiny and further financial repercussions. To address this issue, we have implemented corrective measures to mitigate future delays. These measures include - Enhancing our reconciliation process to minimize discrepancies, strengthening communication and coordination within our team to expedite return filing. Although, we have taken necessary steps to reduce the delays but any future delays in the submission of these returns may result in financial penalties and potential legal consequences, which may affect our operations.

**43. *We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.***

The proposed fund requirement for purchase of new machinery and working capital requirement, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "Objects of the Issue" beginning on page 71 of this Draft Red Herring Prospectus.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until closure of the Issue.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

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

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

***46. The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any variation between the estimation and actual expenditure as estimated by the management could result in execution delays or influence our profitability adversely.***

The deployment of funds as stated in the "Objects of the Issue" beginning on page 71 of the Draft Red Herring Prospectus is entirely at the discretion of our management and has not been appraised by any independent agency. Further, the purposes for which the Net Proceeds are to be utilized have not been appraised by an independent entity and are based on our estimates. In the event, for whatsoever reason, we are unable to execute our plans, we could have a significant amount of unallocated net proceeds.

In such a situation, we would have broad discretion in allocating these net proceeds from the Issue without any action or approval of our shareholders. In case the assumptions on which these estimates have been made are not correct or they become un-realistic then there will be a variation in the estimates and the actual expenditure incurred which could result in execution delays and have an adverse effect on our operations and profitability. The cost estimated by our management are based on their experience. However, we may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost and other financial and operational factors. Accordingly, prospective investors in the issue will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the issue in a timely or an efficient manner, it may affect our business and results of operations

***47. 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 Rs.10,000.00 Lacs. 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.

***48. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our significant shareholders may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled "Basis for Issue Price" beginning on page 79 of the Draft Red Herring Prospectus. The market price of our Equity Shares could be subject to

significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

***50. We have not independently verified certain data in this Draft Red Herring Prospectus.***

We have not independently verified data from the Industry and related data contained in this Draft Red Herring Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**EXTERNAL RISK FACTORS**

***51. Any change in government policy for use of biomass fuel or disposal of Agri waste will have impact on the operations of the company***

Our business is highly dependent on the biomass fuels and Agri waste, as they are the products and raw material of our company. Further, the use of the Biomass fuels and agri waste are to a large extent depends on the government policies towards the use of biomass fuels and policies related to the same. Any change in the government policy for use of biomass fuel or disposal of Agri waste may have an adverse impact on the operations of the company.

***52. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations***

The Government of India may implement new laws or other regulations that could affect the industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. Please see "Statement of Tax Benefits" on page no. 84 of this Draft Red Herring Prospectus. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected.

***53. A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.***

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect

our business, financial condition, results of operation and the trading price of our Equity Shares. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations. Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

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

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and any other country might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

***55. Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also in the past experienced the contagion effect of the global financial turmoil, evident from the sharp decline in benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

***56. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

***58. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind (AS) and IFRS, which may be material to investors' assessments of our financial condition.***

We prepare our annual and interim financial statements under Indian GAAP. We have not attempted to quantify the impact of US GAAP, IND AS or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IND AS or IFRS. US GAAP, IND AS and

IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements, which are restated as per SEBI ICDR Regulations included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian GAAP and accounting practices. Any reliance by persons not familiar with Indian GAAP and accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

***59. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares. Foreign ownership of Indian securities is subject to government regulation.***

In accordance with the foreign exchange regulations currently in force in India, under certain circumstances the RBI must approve the sale of the equity shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet the requirements specified by the RBI. The RBI must approve the conversion of the Rupee proceeds from any such sale into foreign currency and repatriation of that foreign currency from India unless the sale is made on a stock exchange in India through a stock broker at the market price. As provided in the foreign exchange controls currently in effect in India, the RBI has provided the price at which the equity shares are transferred based on a specified formula, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

**SECTION IV – INTRODUCTION**

**THE ISSUE**

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)</sup></b>	Issue of upto 13,92,000* Equity Shares of face value of ₹10 each fully paid-up of our Company.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Makers</b>	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(3)(4)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs.
<b>Of which</b>	
i) Anchor Investor Portion	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs.
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs.
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating up to ₹ [●] lakhs.
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs.
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs.
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	38,50,000 Equity Shares of face value of ₹10 each.
<b>Equity Shares outstanding after the Issue</b>	52,42,000 Equity Shares of face value ₹10 each.
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 71 of this Draft Red Herring Prospectus.

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

<sup>(1)</sup> Public issue of upto 13,92,000 Equity Shares face value of Rs.10.00 each for cash at a price of Rs. [●] per Equity Share of our Company aggregating to Rs. [●] Lakhs. 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 section “**Issue Structure**” beginning on page 222 of this Draft Red Herring Prospectus.

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on March 15, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on March 16, 2024.
- 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 Lead Managers and the Designated Stock Exchange, subject to applicable laws.

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 at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for 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 226 of this Draft Red Herring Prospectus.

**SUMMARY OF OUR FINANCIAL STATEMENTS**

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lacs)

Particular	As at the period/year ended			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' Funds</b>				
a Share Capital	1.00	1.00	1.00	1.00
b Reserves & Surplus	392.11	255.50	13.12	-14.35
c Share Application Money				
<b>Total</b>	<b>393.11</b>	<b>256.50</b>	<b>14.12</b>	<b>-13.35</b>
<b>2 Non-Current Liabilities</b>				
a Long Term Borrowings	127.06	85.52	48.82	49.82
b Deferred Tax Liabilities (Net)	0.27	0.97	0.29	0.30
c Other Long Term Liabilities				
d Long Term Provisions	0.32	0.15	0.00	0.00
<b>Total</b>	<b>127.64</b>	<b>86.64</b>	<b>49.11</b>	<b>50.12</b>
<b>3 Current Liabilities</b>				
a Short Term Borrowings				
b Trade Payables				
Due to Micro and small enterprises	150.73	107.98	71.69	0.00
Due to Others	89.77	58.37	28.58	3.56
c Current Tax Liabilities	41.10	54.74	3.77	-0.18
d Short Term Provisions	0.00	0.00	0.00	0.00
e Other Current Liabilities	57.54	28.89	18.35	7.52
<b>Total</b>	<b>339.13</b>	<b>249.98</b>	<b>122.39</b>	<b>10.91</b>
<b>Total</b>	<b>859.88</b>	<b>593.12</b>	<b>185.61</b>	<b>47.67</b>
<b>B ASSETS</b>				
<b>1 Non-Current Assets</b>				
a Property, Plant and Equipment and Intangible Assets				
i) Property, Plant and Equipment	76.95	55.07	16.15	15.02
ii) Intangible Assets				
iii) Capital Work in progress				
b Non-Current Investment				
c Deferred Tax Assets (Net)				
d Long Term Loans and Advances				
e Other Non-Current Assets	1.35	0.37	0.00	0.00
<b>Total</b>	<b>78.30</b>	<b>55.44</b>	<b>16.15</b>	<b>15.02</b>
<b>2 Current Assets</b>				
a Current Investment	27.93	0.00	0.00	0.00
b Trade Receivables	378.21	336.40	123.92	18.38
c Cash and Cash equivalents	144.96	120.12	35.11	1.47
d Inventories	32.50	8.11	8.11	12.80
e Short-Term Loans and Advances				
f Other Current Assets	198.00	73.04	2.33	0.00
<b>Total</b>	<b>781.59</b>	<b>537.68</b>	<b>169.46</b>	<b>32.66</b>
<b>Total</b>	<b>859.88</b>	<b>593.12</b>	<b>185.61</b>	<b>47.67</b>

RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lacs)

PARTICULARS		For the period/year ended on			
		30-09-2023	31-03-2023	31-03-2022	31-03-2021
1	<b>Revenue From Operations</b>	4323.13	5861.60	791.82	18.49
2	<b>Other Income</b>	63.07	109.63	0.01	0.01
3	<b>Total Revenue (1+2)</b>	<b>4386.21</b>	<b>5971.24</b>	<b>791.83</b>	<b>18.50</b>
4	<b>Expenses</b>				
(a)	Cost of Material Consumed	0.00	0.00	0.00	0.00
(b)	Purchase of Stock in trade	3591.08	4811.73	668.84	11.87
(c)	Change of Inventories of Work in progress and finished goods	-8.40	0.00	4.70	0.00
(d)	Employee Benefit Expenses	34.60	46.39	11.46	4.56
(e)	Finance Costs	13.19	4.60	0.01	0.01
(f)	Depreciation and Amortisation Expenses	6.04	7.27	2.30	2.75
(g)	Other Expenses	566.09	777.20	72.61	0.98
5	<b>Total Expenses 4(a) to 4(g)</b>	4202.61	5647.19	759.91	20.17
6	<b>Profit/(Loss) Before Exceptional &amp; Extraordinary items &amp; Tax (3-5)</b>	183.59	324.05	31.92	-1.67
7	Exceptional item	0.00	0.00	0.00	0.00
8	<b>Profit/(Loss) Before Extraordinary items &amp; Tax (6-7)</b>	183.59	324.05	31.92	-1.67
9	Prior Period Items				
10	Extraordinary items				
11	<b>Profit/(Loss) Before Tax (8-9-10)</b>	<b>183.59</b>	<b>324.05</b>	<b>31.92</b>	<b>-1.67</b>
12	<b>Tax Expense:</b>				
(a)	Current Tax	<b>47.68</b>	<b>80.99</b>	<b>4.46</b>	<b>0.00</b>
(b)	Deferred Tax	-0.70	0.68	-0.01	0.30
	<b>Total</b>	<b>46.98</b>	<b>81.67</b>	<b>4.45</b>	<b>0.30</b>
13	<b>Profit/(Loss) for the Year</b>	<b>136.61</b>	<b>242.38</b>	<b>27.46</b>	<b>-1.97</b>
14	<b>Earnings per equity share of Rs.10 each</b>				
	(1) Basic (Rs.)	1366.09	2423.80	274.64	-19.66
	(2) Diluted (Rs.)	1366.09	2423.80	274.64	-19.66
	Weighted average number of shares outstanding	10000	10000	10000	10000
	Adjusted Earnings per equity share of Rs.10 each (After Adjustment Of Right and Bonus Shares)				
	(1) Basic (Rs.)	3.55	6.30	0.71	-0.05
	(2) Diluted (Rs.)	3.55	6.30	0.71	-0.05
	Weighted average number of shares outstanding	3850000	3850000	3850000	3850000

## RESTATED CASH FLOW STATEMENT

(Rs. in Lacs)

Particular	For the year ended on			
	30/09/2023	31/03/2023	31-03-2022	31-03-2021
<b>A) Cash Flow From Operating Activities :</b>				
Net Profit before tax as per Statement of Profit & Loss	183.59	324.05	31.92	(1.67)
Adjustment for :				
Depreciation and amortization Expenses	6.04	7.27	2.30	2.75
Finance Cost	13.19	4.60	0.01	0.01
Interest Income	(1.69)	(0.65)	-	(0.01)
<b>Operating profit before working capital changes</b>	<b>201.13</b>	<b>335.26</b>	<b>34.22</b>	<b>1.08</b>
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Trade Receivables	(41.81)	(212.48)	(105.54)	(3.89)
(Increase)/Decrease in Inventory	(24.39)	0.00	4.70	-
(Increase)/Decrease in Other Current assets	(124.95)	(70.72)	(2.33)	
Increase/(Decrease) in Trade Payables	74.14	66.08	96.70	0.94
Increase/(Decrease) in Provisions	0.16	0.15	0.00	-
Increase/(Decrease) in Other Current Liabilities	28.65	10.54	10.83	4.47
<b>Cash generated from operations</b>	<b>112.93</b>	<b>128.84</b>	<b>38.59</b>	<b>2.60</b>
Less:- Income Taxes paid	61.32	30.02	0.51	0.03
<b>Net cash flow from operating activities</b>	<b>51.61</b>	<b>98.82</b>	<b>38.08</b>	<b>2.57</b>
	A			
<b>B) Cash Flow From Investing Activities :</b>				
Purchase of Property, Plant & Equipment	(27.92)	(46.19)	(3.43)	(2.34)
Other Non-Current Assets	(0.98)	(0.37)	-	-
Current Investments	(27.93)	-	-	-
Interest Income	1.69	0.65	-	0.01
<b>Net cash flow from investing activities</b>	<b>(55.13)</b>	<b>(45.91)</b>	<b>(3.43)</b>	<b>(2.33)</b>
	B			
<b>C) Cash Flow From Financing Activities :</b>				
Increase/(Decrease) in Long Term Borrowings	41.54	36.70	(1.00)	(3.70)
Finance Cost	(13.19)	(4.60)	(0.01)	(0.01)
<b>Net cash flow from financing activities</b>	<b>28.35</b>	<b>32.10</b>	<b>(1.01)</b>	<b>(3.70)</b>
	C			
<b>(A+B+C)</b>	<b>24.83</b>	<b>85.02</b>	<b>33.64</b>	<b>(3.46)</b>
Cash equivalents at the beginning of the year	120.12	35.11	1.47	4.93
<b>Cash equivalents at the end of the year</b>	<b>144.96</b>	<b>120.12</b>	<b>35.11</b>	<b>1.47</b>

## Notes :-

(Rs. in Lacs)

		30-09-2022	31-03-2023	31-03-2022	31-03-2021
<b>1.</b>	<b>Component of Cash and Cash equivalents</b>				
	Cash on hand	8.07	4.58	4.86	0.18
	Balance With banks	15.62	102.45	30.25	1.30
	Fixed Deposits	121.27	13.10	0.00	0.00
	<b>Total</b>	<b>144.96</b>	<b>120.12</b>	<b>35.11</b>	<b>1.47</b>

**GENERAL INFORMATION**

**Brief Summary:**

Our Company was incorporated as ‘Shubhshree Bricks Private Limited’ under the Companies Act, 1956, pursuant to a certificate of incorporation dated April 23, 2013, issued by the RoC, Rajasthan, Jaipur having CIN as U26933RJ2013PTC042232. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on October 9, 2023 the name of our Company was changed from “Shubhshree Bricks Private Limited” to “Shubhshree Biofuels Energy Private Limited” and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Rajasthan, Jaipur dated October 30, 2023. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed by the shareholders of our Company on January 18, 2024 and the name of the Company was changed from “Shubhshree Biofuels Energy Private Limited” to “Shubhshree Biofuels Energy Limited” vide fresh certificate of incorporation dated February 1, 2024 issued by the Registrar of Companies, Rajasthan, Jaipur. The Corporate identification number of our Company is U38210RJ2013PLC042232.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 115 of this Draft Red Herring Prospectus.

<b>CIN</b>	U38210RJ2013PLC042232.
<b>Registration No.</b>	042232
<b>Date of Incorporation</b>	April 23, 2013
<b>Registered Office</b>	Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar, Jaipur, Rajasthan, India, 302019 <b>Tel. No.:</b> +91 9799998880 <b>Email:</b> <a href="mailto:shubhshree@biomassfuel.co.in">shubhshree@biomassfuel.co.in</a> <b>Website:</b> <a href="http://www.shubhshreebiofuels.co.in">www.shubhshreebiofuels.co.in</a>
<b>Designated Stock Exchange</b>	SME Platform of National Stock Exchange of India Limited (NSE Emerge)
<b>Listing of Shares offered in this Issue</b>	SME Platform of National Stock Exchange of India Limited (NSE Emerge)
<b>Address of the Registrar of Companies:</b>	<b>Registrar of Companies, Rajasthan, Jaipur</b> Registrar of Companies, Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur-302001 Rajasthan, India <b>Phone:</b> 0141-2222465, 2222466 <b>Email:</b> <a href="mailto:roc.jaipur@mca.gov.in">roc.jaipur@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>

**Board of Directors:**

The Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus consists of:

<b>Name of Director</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Sagar Agrawal	Chairman & Managing Director	A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur- 302019, India	03209247
Anurag Agarwal	Whole Time Director	A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur- 302019, India.	03062155
Aastha Agarwal	Non-Executive Director	A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur- 302019, India	07172285
Upasana Srivastava Dattani	Non-Executive Director	116, Kailash Hills, East of Kailash, Srinivaspuri, South Delhi, 110065, India	10371597
Vijay Kumar Jain	Independent Director	K-84, Kishan Nagar, Behind Dana Pani, Shyam Nagar, Jaipur, Rajasthan-302019, India	02193271
Rajesh Jain	Independent Director	310-311, Mahavir Nagar, Durgapura Railway Station, Tonk Road, Jaipur, Rajasthan-302018,	06735031

	India	
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For further details in relation to our Directors, please refer to chapter titled “*Our Management*” on page 120 of this Draft Red Herring Prospectus.

<b>Chief Financial Officer</b>	<b>Company Secretary &amp; Compliance Officer</b>
<b>Jitendra Kumar Kumawat</b> <b>Shubhshree Biofuels Energy Limited</b> <b>Address:</b> Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar, Jaipur, Rajasthan, India, 302019. <b>Email:</b> <a href="mailto:cfo@biomassfuel.co.in">cfo@biomassfuel.co.in</a> <b>Website:</b> <a href="http://www.shubhshreebiofuels.co.in">www.shubhshreebiofuels.co.in</a>	<b>Aakrati Singhania</b> <b>Shubhshree Biofuels Energy Limited</b> <b>Address:</b> Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar, Jaipur, Rajasthan, India, 302019. <b>Email:</b> <a href="mailto:cs@biomassfuel.co.in">cs@biomassfuel.co.in</a> <b>Website:</b> <a href="http://www.shubhshreebiofuels.co.in">www.shubhshreebiofuels.co.in</a>

### **Investor Grievances:**

**Investors can contact the Company Secretary and Compliance Officer, the BRLM 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, noncredit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

All grievances relating to the issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

### **Details of Key Intermediaries pertaining to this Issue and Our Company:**

<b>Book Running Lead Manager of the Issue</b>	<b>Legal Advisor to the Issue</b>
<b>Hem Securities Limited</b> <b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India <b>Tel No.:</b> +91-22-4906 0000 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Sourabh Garg <b>SEBI Reg. No.:</b> INM000010981	<b>Vedanta Law Chambers</b> <b>Address:</b> Ist Floor, SSK House, B-62, Sahakar Marg, Lal Kothi, Jaipur-302015 Rajasthan, India <b>Tel:</b> +91- 141 -2740911, 4014091 <b>Fax:</b> +91- 141 -2740911 <b>Website:</b> <a href="http://www.vedantalawchambers.com">www.vedantalawchambers.com</a> <b>Email:</b> <a href="mailto:vedantalawchambers@gmail.com">vedantalawchambers@gmail.com</a> <b>Contact Person:</b> Advocate Nivedita Ravindra Sarda <b>Designation:</b> Partner
<b>Registrar to the Issue</b>	<b>Statutory Auditor</b>
<b>Bigshare Services Private Limited</b> <b>Address:</b> S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East)	<b>Ravi Sharma &amp; Co, Chartered Accountants</b> <b>Address:</b> 3580, MSB Ka Rasta, 4 <sup>th</sup> Crossing , Johri Bazar, Jaipur -302003.

Mumbai – 400093, India. <b>Telephone:</b> +91 22 6263 8200 <b>Facsimile:</b> +91 22 6263 8299 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor</b> <b>Grievance</b> <b>Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Contact Person: Babu Rapheal</b> <b>SEBI Registration Number:</b> MB/INR000001385 <b>CIN:</b> U99999MH1994PTC076534	<b>Tel:</b> +91 - 9667464434 <b>Email:</b> <a href="mailto:casourabhpendaya@gmail.com">casourabhpendaya@gmail.com</a> <b>FRN No. :</b> 015143C <b>Membership No:</b> 431571 <b>Contact Person:</b> CA. Sourabh Jain <b>Peer Review Certificate Number:</b> 014089
<b>Banker to the Company</b>	<b>Bankers to the Issue/Sponsor Bank</b>
[●]	[●]
<b>Syndicate Members*</b>	
[●]	

*\*The Banker to the Issue (Sponsor Bank) and Syndicate Members shall be appointed prior to filing of the Prospectus with the RoC.*

#### **Designated Intermediaries:**

#### **Self-Certified Syndicate Banks (SCSB's)**

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>

#### **Syndicate SCSB Branches**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

#### **Registered Brokers**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at NSE at [www.nseindia.com](http://www.nseindia.com) as updated from time to time

#### **Registrar 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 (CDP's)**

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.

### **Expert Opinion**

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Draft Red Herring Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits (c) Statement of Financial Indebtedness and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

### **Inter-se Allocation of Responsibilities**

Since, Hem Securities Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

### **Monitoring Agency**

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakhs. Hence, our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company will be monitoring the utilization of the Issue Proceeds.

### **Appraising Entity**

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

### **Credit Rating**

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

### **IPO Grading**

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

### **Debenture Trustees**

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

### **Underwriting**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100%

Underwritten by the Underwriter Hem Securities Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated March 18, 2024 entered into by Company, Underwriter, 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 Lakhs)	% of Total Issue Size Underwritten
<b>Hem Securities Limited</b> <b>Address:</b> - 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India <b>Tel No.:</b> +91-22-4906 0000 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Rohit Sharma <b>SEBI Registration Number:</b> INM000010981	13,92,000	[●]	100%

\*Includes [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

#### Change in Statutory Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

Details of Statutory Auditor	Date of Change	Reason of Change
<b>M/s. G.L. DANGAYACH &amp; CO.</b> <b>Address:</b> S-28, Second Floor Dwarika Tower, Central Spine, Vidhyadhar Nagar, Jaipur-302039, India. <b>Phone :</b> +91 9414751965, +91 9785486732 <b>Email:</b> <a href="mailto:gld1981@yahoo.com">gld1981@yahoo.com</a> <b>Contact Person:</b> G.L Dangayach Firm Registration No.: 001582C Membership No.: 017368	December 15, 2022	M/s. G.L. Dangayach & Co. Chartered Accountants has resigned as auditors due to Preoccupancy in other assignments.
<b>Shah Rajesh &amp; Co</b> <b>Address:</b> 8/320, Vidhyadhar Nagar ,Jaipur , Rajasthan 302039. <b>Tel:</b> +91 -0141- 2337680, +91 – 0141- 2337692 <b>Email:</b> <a href="mailto:rajeshcashah@gmail.com">rajeshcashah@gmail.com</a> <b>Contact Person:</b> CA Rajesh Shah FRN No. : 005959C Membership No.: 074646	January 25, 2023.	Appointment of Shah Rajesh & Co. to fill casual vacancy.
<b>Shah Rajesh &amp; Co</b> <b>Address:</b> 8/320, Vidhyadhar Nagar, Jaipur, Rajasthan 302039. <b>Tel:</b> +91 -0141- 2337680, +91 – 0141- 2337692 <b>Email:</b> <a href="mailto:rajeshcashah@gmail.com">rajeshcashah@gmail.com</a> <b>Contact Person:</b> CA Rajesh Shah	September 30, 2023	Re-appointment

FRN No. : 005959C Membership No.: 074646		
<b>Shah Rajesh &amp; Co</b> <b>Address:</b> 8/320, Vidhyadhar Nagar ,Jaipur , Rajasthan 302039. <b>Tel:</b> +91 -0141- 2337680, +91 – 0141- 2337692 <b>Email:</b> <a href="mailto:rajeshcashah@gmail.com">rajeshcashah@gmail.com</a> <b>Contact Person:</b> CA Rajesh Shah FRN No. : 005959C Membership No.: 074646	December 31, 2023	Resignation on medical grounds.
<b>Ravi Sharma &amp; Co, Chartered Accountants</b> <b>Address:</b> 3580, MSB Ka Rasta, 4 <sup>th</sup> Crossing, Johri Bazar, Jaipur -302003. <b>Tel:</b> +91 - 9667464434 <b>Email:</b> <a href="mailto:casourabhpandaya@gmail.com">casourabhpandaya@gmail.com</a> <b>FRN No. :</b> 015143C <b>Membership No:</b> 431571 <b>Contact Person:</b> CA. Sourabh Jain <b>Peer Reviewed Certificate No.:</b> 014089	January 10, 2024	Appointment of Auditor to fill casual Vacancy.

### **Filing of Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus with the Designated Stock Exchange/SEBI/ROC**

The Draft Red Herring Prospectus is being 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 will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document 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 contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>.

### **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 all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Jaipur Edition of Regional newspaper [●] 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 Hem Securities Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE or NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank.

**All Bidders (except Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Issue through UPI in the ASBA process. 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.

Each Bidder by submitting a Bid in Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue. Additionally, allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non -Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 226 of this Draft Red Herring Prospectus.

For further details, please refer to the chapters titled “Terms of the Issue” “Issue Structure” and “Issue Procedure” beginning on pages 214, 222 and 226, respectively of this Draft Red Herring Prospectus.

**Illustration of the Book Building and Price Discovery Process:**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “*Issue Procedure*” on page 226 of this Draft Red Herring Prospectus.

**Bid/ Issue Program:**

<b>Event</b>	<b>Indicative Dates</b>
Bid/ Issue Opening Date	[●]
Bid/ Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	[●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	[●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	[●]

<sup>(1)</sup> 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 three 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 may be extended in consultation with the BRLM, RTA and NSE 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 Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/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 Offer**

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

If our Company withdraws the Issue any time after the Bid/ Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ 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 withdraws 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 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 with respect to the Equity Shares issued through the Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the Filing of Red Herring Prospectus/ Prospectus with RoC.

#### **Details of the Market Making arrangement for this Issue**

Our Company has entered into a Market Making Agreement dated March 18, 2024 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

<b>Name</b>	Hem Finlease Private Limited
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<b>Correspondence Address:</b>	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India
<b>Tel No.:</b>	0141-4051000
<b>E-mail:</b>	<a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a>
<b>Website:</b>	<a href="http://www.hemsecurities.com">www.hemsecurities.com</a>
<b>Contact Person:</b>	Ashok Soni
<b>SEBI Registration No.:</b>	INZ000168034
<b>Market Maker Registration No.</b>	SMEREG2020090906741

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfill the obligations of Market Making) dated March 18, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

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

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

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

- 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).
- 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 the SME Platform of National Stock Exchange of India Limited (NSE Emerge) and SEBI from time to time.
- The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to 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.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of National Stock Exchange of India Limited (NSE Emerge) (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of National Stock Exchange of India Limited (NSE Emerge) from time to time).
- 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. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size 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.
- 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.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 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.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable

reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final

- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, 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 BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM 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 10.00 a.m. to 5.00 p.m. on working days.
- **Risk containment measures and monitoring for Market Makers:** Stock Exchange will have all margins, which are applicable on 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.
- **Punitive Action in case of default by Market Makers:** SME Platform of National Stock Exchange of India Limited (NSE Emerge) 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.
- **Price Band and Spreads:** 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
- 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:

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

The 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 issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

<b>S. No.</b>	<b>Market Price Slab (in ₹)</b>	<b>Proposed Spread (in % to sale price)</b>
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

**CAPITAL STRUCTURE**

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

(₹ in lakhs)			
Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	<b>Authorized Share Capital</b> 70,00,000 Equity Shares having Face Value of ₹ 10/- each.	700.00	-
B	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b> 38,50,000 Equity Shares having Face Value of ₹10/- each.	385.00	-
C	<b>Present Issue in terms of this Draft Red Herring Prospectus*</b> Upto 13,92,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per shares	139.20	[●]
	<i>Which comprises of:</i>		
D	<b>Reservation for Market Maker Portion</b> [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares Share reserved as Market Maker Portion.	[●]	[●]
E	<b>Net Issue to Public</b> Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares Share to the Public	[●]	[●]
	<i>Of which:</i>		
	i) At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	ii) At least [●] Equity Shares aggregating upto Rs. [●] lakhs will be available for allocation to Non-Institutional Investor	[●]	[●]
	iii) Not more than [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to investors other than Retail Individual Investors (including Non- Institutional Investors and Qualified Institutional Buyers).	[●]	[●]
F	<b>Issued, Subscribed and Paid up Equity Shares Share Capital after the Issue</b>		
	52,42,000 Equity Shares of face value of ₹10/- each	<b>524.20</b>	
G	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Red Herring Prospectus)	<b>115.00</b>	
	After the Issue		[●]

\*The Present Issue of upto 13,92,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 15, 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 16, 2024.

*Allocation to all categories shall be made on a proportionate basis subject to valid Applications received. Under subscription, if any, in any of the categories except QIB portion, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

**Classes of Shares:-**

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

**1. Changes in Authorized Equity Share Capital of our Company:**

Sr. No.	Particulars of Changes	Cumulative No. of Equity Shares	Face Value of Equity Shares Share	Cumulative Authorized Share Capital (Rs. in lakhs)	Date of Shareholders' Meeting	Whether AGM/EGM
1.	Upon incorporation	10,000	10/-	1.00	On Incorporation	-
2.	Increase in Authorized Share Capital from ₹1.00 Lakhs to ₹500.00 Lakhs	50,00,000	10/-	500.00	October 9, 2023	EGM
3.	Increase in Authorized Share Capital from ₹500.00 Lakhs to ₹700.00 Lakhs	70,00,000	10/-	700.00	February 16, 2024	EGM

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

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

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid Up Capital (₹)
Upon Incorporation	10,000	10/-	10/-	Cash	Subscription to MOA <sup>(i)</sup>	10,000	Nil	1,00,000
November 21, 2023	1,00,000	10/-	125/-	Cash	Right Issue <sup>(ii)</sup>	1,10,000	1,15,00,000	11,00,000
January 12, 2024	37,40,000	10/-	NIL	Other than cash	Bonus Issue in ratio 34:1 <sup>(iii)</sup>	38,50,000	1,15,00,000	3,85,00,000

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

i. Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Anurag Agarwal	5500
2.	Mohini Jain	2500
3.	Saket Dalmia	2000
	<b>Total</b>	<b>10,000</b>

ii. Further issue of 1,00,000 Equity shares of Face Value Rs.10/- each as per details mentioned below.

Sr. No.	Name of Allottees	Number of Shares
1.	Anurag Agarwal	7,700
2.	Aastha Agarwal	13,500
3.	Sagar Agrawal	36,550

4.	Kailash Chand Agarwal	3,400
5.	Upasana Srivastava Dattani	36,650
6.	Sagar Agrawal HUF	1,100
7.	Kailash Chand Agarwal HUF	1,100
	<b>Total</b>	<b>1,00,000</b>

iii. Bonus issue of 37,40,000 Equity Shares of Face Value of Rs. 10/- each in the ratio of 34:1 i.e. Thirty Four (34) Bonus Equity Shares for every One (1) Equity Shares held by shareholders:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to Company	Name of Allottees	No. of Shares Allotted
January 12, 2024	37,40,000	10	-	Bonus Issue in theratio of 34:1	Capitalization of Reserves & Surplus	Anurag Agarwal	5,27,000
						Aastha Agarwal	5,27,000
						Sagar Agrawal	12,46,100
						Kailash Chand Agarwal	1,19,000
						Upasana Srivastava Dattani	12,46,100
						Sagar Agrawal HUF	37,400
						Kailash Chand Agarwal HUF	37,400
<b>Total</b>	<b>37,40,000</b>						

a) As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.

### 3. Issue of Equity Shares for consideration other than cash:

Except as mentioned below, the Company has not issued any Equity Share for consideration other than cash since its incorporation.

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to Company	Name of Allottees	No. of Shares Allotted
January 12, 2024	37,40,000	10	-	Bonus Issue in theratio of 34:1	Capitalization of Reserves & Surplus	Anurag Agarwal	5,27,000
						Aastha Agarwal	5,27,000
						Sagar Agrawal	12,46,100
						Kailash Chand Agarwal	1,19,000
						Upasana Srivastava Dattani	12,46,100
						Sagar Agrawal HUF	37,400
						Kailash Chand Agarwal HUF	37,400
<b>Total</b>	<b>37,40,000</b>						

4. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.

5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

6. Except as disclosed in 3. above, no Equity Shares have been issued at price below the Issue price within last one year from the date of the Draft Red Herring Prospectus.

### 7. Details of Allotment made in the last two years preceding the date of Draft Red Herring Prospectus

Except as mentioned in point 2 a (i), (ii) above, we have not issued any Equity Share in the last two years preceding the date of Draft Red Herring Prospectus :

<b>Date of Allotment</b>	<b>Number of Equity Shares</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Reasons for Allotment</b>	<b>Name of Allottees</b>
November 21, 2023	1,00,000	10/-	125/-	Right Issue	Refer table 2 (a) (ii) above
January 12, 2024	37,40,000	10/-	-	Bonus Issue in the ratio of 34:1	Refer table 2 (a) (iii) above

8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

### 9. Shareholding Pattern of the Company

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipt	Total nos. shares held	Shareholding as % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible	Shareholding, as % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each	Class e.g. y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters & Promoter Group	7	38,50,000	-	-	38,50,000	100.00	38,50,000	-	38,50,000	100.00	-	100.00	-	-	-	-	38,50,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>38,50,000</b>	<b>-</b>	<b>-</b>	<b>38,50,000</b>	<b>100.00</b>	<b>38,50,000</b>	<b>-</b>	<b>38,50,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,50,000</b>

**Notes-**

\*As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of Rs. 10/- each.

We have entered into tripartite agreement with CDSL and NSDL.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the stock exchanges before commencement of trading of such Equity Shares.

**10. List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company:-**

a) As on the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Anurag Agarwal	5,42,500	14.09
2.	Aastha Agarwal	5,42,500	14.09
3.	Sagar Agrawal	12,82,750	33.32
4.	Kailash Chand Agarwal	1,22,500	3.18
5.	Upasana Srivastava Dattani	12,82,750	33.32
6.	Sagar Agrawal HUF	38,500	1.00
7.	Kailash Chand Agarwal HUF	38,500	1.00
	<b>Total</b>	<b>38,50,000</b>	<b>100</b>

b) Ten days prior to the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Anurag Agarwal	5,42,500	14.09
2.	Aastha Agarwal	5,42,500	14.09
3.	Sagar Agrawal	12,82,750	33.32
4.	Kailash Chand Agarwal	1,22,500	3.18
5.	Upasana Srivastava Dattani	12,82,750	33.32
6.	Sagar Agrawal HUF	38,500	1.00
7.	Kailash Chand Agarwal HUF	38,500	1.00
	<b>Total</b>	<b>38,50,000</b>	<b>100.00</b>

c) One Year prior to the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Anurag Agarwal	8,000	80.00
2.	Aastha Agarwal	2,000	20.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

d) Two Years prior to the date of filing of this Draft Red Herring Prospectus:-

Sr. No.	Names of Shareholders	Shares held (Face Value of Rs. 10 each)	% Pre Issue paid up Share Capital
1.	Anurag Agarwal	8000	80.00
2.	Aastha Agarwal	2000	20.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Draft Red Herring Prospectus.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring

Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board 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.

**13. Capital Buildup in respect of Shareholding of our Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters, Anurag Agarwal, Aastha Agarwal, Sagar Agrawal and Upasana Srivastava Dattani collectively hold 36,50,500 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition / Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
<b>(A) Anurag Agarwal</b>							
April 23, 2013	5,500	10	10.00	Cash	On Incorporation	0.14%	[●]
February 28, 2022	2,500	10	10.00	Cash	Transfer of Shares	0.06%	[●]
October 27, 2023	(200)	10	0.00	Cash	Transfer of Share By Gift	(0.01%)	[●]
November 21, 2023	7700	10	125.00	Cash	Right Issue	0.20%	[●]
January 12, 2024	5,27,000	10	0.00	Other than Cash	Bonus Issue in the ratio of 34:1	13.69%	[●]
<b>Total (A)</b>	<b>5,42,500</b>					<b>14.09%</b>	<b>[●]</b>
<b>(B) Aastha Agarwal</b>							
March 30, 2019	2000	10	10.00	Cash	By way of share transfer	0.05%	[●]
November 21, 2023	13,500	10	125.00	Cash	Right Issue	0.35%	[●]
January 12, 2024	5,27,000	10	0.00	Other than Cash	Bonus Issue in the ratio	13.69%	[●]

					of 34:1		
<b>Total (B)</b>	<b>5,42,500</b>					<b>14.09%</b>	<b>[●]</b>
<b>C) Sagar Agrawal</b>							
October 27, 2023	100	10	0.00	Cash	Transfer of Share By way of Gift (b)	0.00%	[●]
November 21, 2023	36,550	10	125.00	Cash	Right Issue	0.95%	[●]
January 12, 2024	12,46,100	10	0.00	Other than Cash	Bonus Issue in the ratio of 34:1	32.37%	[●]
<b>Total (C)</b>	<b>12,82,750</b>					<b>33.32%</b>	
<b>(D) Upasana Srivastava Dattani</b>							
November 21, 2023	36,650	10	125.00	Cash	Right Issue	0.95%	[●]
January 12, 2024	12,46,100	10	0.00	Other Than Cash	Bonus Issue in the ratio of 34:1	32.37%	[●]
<b>Total (E)</b>	<b>12,82,750</b>					<b>33.32%</b>	
<b>Grand Total</b>	<b>36,50,500</b>					<b>94.82%</b>	<b>[●]</b>

b) Transfer of 200 equity shares by way of gift by Anurag Agarwal dated October 27, 2023

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred	Name of Transferee
1.	October 27, 2023	Anurag Agarwal	100	Sagar Agrawal
2.			100	Kailash Chand Agarwal
<b>Total</b>			<b>200</b>	

14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Anurag Agarwal	5,42,500	1.92
2.	Aastha Agarwal	5,42,500	3.15
3.	Sagar Agrawal	12,82,750	3.56
4.	Upasana Srivastava Dattani	12,82,750	3.57

#### 15. Shareholding of Promoters & Promoter Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoters and Promoter Group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
<b>Promoters</b>					
1.	Anurag Agarwal	5,42,500	14.09	5,42,500	[●]
2.	Aastha Agarwal	5,42,500	14.09	5,42,500	[●]

3.	Sagar Agrawal	12,82,750	33.32	12,82,750	[●]
4.	Upasana Srivastava Dattani	12,82,750	33.32	12,82,750	[●]
	<b>TOTAL (A)</b>	<b>36,50,500</b>	<b>94.82</b>	<b>36,50,500</b>	<b>[●]</b>
	<b>Promoter Group</b>				
5	Kailash Chand Agarwal	1,22,500	3.18	1,22,500	[●]
6.	Sagar Agrawal HUF	38,500	1.00	38,500	[●]
7.	Kailash Chand Agarwal HUF	38,500	1.00	38,500	[●]
	<b>TOTAL (B)</b>	<b>1,99,500</b>	<b>5.18</b>	<b>1,99,500</b>	<b>[●]</b>
	<b>Total (A+B)</b>	<b>38,50,000</b>	<b>100.00</b>	<b>38,50,000</b>	<b>[●]</b>

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of Allotment/ Transfer	Name of Shareholders	No. of Equity Share	% of Pre issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoters/Promoter Group/ Director)
October 27, 2023	Anurag Agarwal	(200)	(0.01)	Transfer of shares	Promoter and Director
	Sagar Agrawal	100	0.01		Promoter and Director
	Kailash Chand Agarwal	100	-		Promoter Group
November 21, 2023	Anurag Agarwal	7,700	0.20%	Acquisition by way of Right Issue	Promoter and Director
	Aastha Agarwal	13,500	0.35%		Promoter and Director
	Sagar Agrawal	36,550	0.95%		Promoter and Director
	Kailash Chand Agarwal	3,400	0.09%		Promoter Group
	Upasana Srivastava Dattani	36,650	0.95%		Promoter and Director
	Sagar Agrawal HUF	1,100	0.03%		Promoter Group
January 12, 2024	Kailash Chand Agarwal HUF	1,100	0.03%	Bonus Issue In ratio of 34:1	Promoter Group
	Anurag Agarwal	5,27,000	13.69%		Promoter and Director
	Aastha Agarwal	527000	13.69%		Promoter and Director
	Sagar Agrawal	12,46,100	32.37%		Promoter and Director
	Kailash Chand Agarwal	1,19,000	3.09%		Promoter Group
	Upasana Srivastava Dattani	12,46,100	32.37%		Promoter and Director
	Sagar Agrawal HUF	37,400	0.97%		Promoter Group
Kailash Chand Agarwal HUF	37,400	0.97%	Promoter Group		

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

#### 18. Details of Promoters' Contribution Locked-in for Three Years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoters Contribution") and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued pursuant to this Issue. The Lock In of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 36,50,500 Equity Shares constituting [●] of the Post – Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoters Anurag Agarwal, Aastha Agarwal, Sagar Agrawal and Upasana Srivastava Dattani, have given written consent to include 10,52,000 Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
<b>Anurag Agarwal</b>						
April 23, 2013	5300	10	10	On incorporation	[●]	[●]
February 28, 2022	2500	10	10	Transfer	[●]	[●]
November 21, 2023	7700	10	125	Right Issue	[●]	[●]
January 12, 2024	250000	10	-	Bonus Issue	[●]	[●]
<b>Total</b>	<b>265500</b>					
<b>Aastha Agarwal</b>						
March 30, 2019	2000	10	10	Transfer	[●]	[●]
November 21, 2023	13500	10	125	Right Issue	[●]	[●]
January 12, 2024	250000	10	-	Bonus Issue	[●]	[●]
<b>Total</b>	<b>265500</b>				[●]	
<b>Sagar Agrawal</b>						
November 21, 2023	36550	10	125	Right Issue	[●]	[●]
January 12, 2024	250000	10	-	Bonus Issue	[●]	[●]
<b>Total</b>	<b>286550</b>				[●]	
<b>Upasana Srivastava Dattani</b>						
November 21, 2023	36650	10	125	Right Issue	[●]	[●]
January 12, 2024	197800	10	-	Bonus Issue	[●]	[●]
<b>Total</b>	<b>234450</b>				[●]	
<b>Grand Total</b>	<b>10,52,000</b>					

\*Assuming full subscription to the Issue.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "Promoter" under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations, 2018 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, 2018 i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

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

<b>Reg. No.</b>	<b>Promoters' Minimum Contribution Conditions</b>	<b>Eligibility Status of Equity Shares forming part of Promoter's Contribution</b>
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible</u></b>
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible</u></b>
237(1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237(1)(c)	Specified securities allotted to promoters 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 promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237(1)(d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

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

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue Equity Shares share capital constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

#### **Other requirements in respect of lock-in:**

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which

- are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
  19. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
  20. As on the date of this Draft Red Herring Prospectus, the entire Issued, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid up Equity Shares.
  21. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
  22. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
  23. We have 7 (seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
  24. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
  25. Our Company has not raised any bridge loan against the proceeds of the Issue.
  26. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
  27. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
  28. An over-subscription to the extent of 1% of the Issue, subject to the maximum post issue paid up capital of Rs. 25 Crore can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
  29. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
  30. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
  31. There are no Equity Shares against which depository receipts have been issued.
  32. Other than the Equity Shares, there is no other class of securities issued by our Company.

33. There are no safety net arrangements for this public issue.
34. As per RBI regulations, OCBs are not allowed to participate in this issue.
35. Our Promoters and Promoter Group will not participate in this Issue.
36. This Issue is being made through Book Building process.
37. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
38. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Shares Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
39. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Prospectus with the Registrar of companies and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

**OBJECTS OF THE ISSUE**

The Issue includes a fresh Issue of up to 13,92,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

- 1) Funding Capital Expenditure towards installation of additional plant and machinery.;
- 2) To meet working capital requirements;
- 3) General Corporate Purpose.

(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 SME platform of NSE (NSE EMERGE). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

Our Company is engaged in the business of supplying of biomass fuels, which includes biomass pellets and briquettes. These biomass fuels are an alternative source of energy which are basically used in commercial and industrial heating, cooking fuel, industrial burning and electricity generation, as an alternative to fossil fuels like coal, firewood, lignite, Agri-waste etc. The briquettes are majorly used for industrial purposes like running boilers etc. and the pellets are majorly used as cooking fuel or commercial purposes. We are currently selling these pellets and briquettes to customers who are engaged in the business of recycling material, textile processing, pharmaceutical, metal etc.

**Net Proceeds**

The details of the Net Proceeds are set forth below:

<b>Particulars</b>	<b>Amt (Rs. in Lacs)</b>
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue*	[●]
<b>Net Proceeds</b>	<b>[●]</b>

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

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

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

<b>S. No</b>	<b>Particulars</b>	<b>Amt (Rs. in Lacs)</b>
1	Funding Capital Expenditure towards installation of additional plant and machinery.	206.99
2	To meet working capital requirements	[●]
3	General Corporate Purpose**	[●]
	<b>Total</b>	<b>[●]</b>

*\*\*To be finalized upon 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.*

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

**Means of Finance**

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

<b>Particulars</b>	<b>Amt (Rs. in Lacs)</b>
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Net Issue Proceeds	[●]
<b>Total</b>	[●]

Since, the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

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. 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, if required. 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.

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 see the section titled "Risk Factors" beginning on page 25 of this Draft Red Herring Prospectus.

#### **Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

##### **1. Funding Capital Expenditure towards installation of additional plant and machinery.**

Our company was incorporated in 2013 post incorporation our company was undertaking the business of manufacturing and supplying of building and construction material like fly ash bricks etc. Later, during December 2021, the company discontinued the business of fly ash bricks and foray into the business of supply of biomass pellets and biomass briquettes. Looking at the market response and opportunity in this business, we established our manufacturing facility located at Khasra No 33/1, Village Pahadi , Teh. Niwai , District Tonk Rajasthan -304021 from October 2023, where we have installed 3 briquettes cum pelleting machines, one of which is owned by us and the rest 2 are taken on rent along with the premises, having a combined capacity of 132 tonnes per day. Our company propose to utilize Rs. 206.99 lakhs towards purchase and installation of additional plant and machinery which will further enhance the installed capacity of the company.

A detailed breakup of estimated cost towards purchase of machineries, equipment's and utilities which are proposed to be funded from the net issue proceeds is set forth below:

**Location** - Khasra No 33/1, Village Pahadi , Teh. Niwai , District Tonk Rajasthan -304021.

S. No.	Machinery details	Qty.	Quotation details	Quotation amt.
				(In Rs. Lakhs)
1	Sawdust Machine, ECOSTAN ESM 100 • Production Capacity Up-to: 3,000 KG/HR, • Input Wood Log Size Up-to: 10 inches	1	Quotation dated March 22, 2024 from Ecostan India Pvt Ltd; Ludhiana valid till June 07, 2024.	25.75

	<ul style="list-style-type: none"> <li>• Output Sawdust Size: 4mm-8mm</li> <li>• Power Required: 106 HP</li> </ul>			
2	Hammer Mill, ECOSTAN HM 100 <ul style="list-style-type: none"> <li>• Production Capacity Up-to: 5,000 KG/HR,</li> <li>• Input Size of Raw Material Up-to: Dia 20 mm x 4 inches long</li> <li>• Input Raw Material Moisture Content Up-to: 12%</li> <li>• Power Required: 151 HP</li> </ul>	1		21.55
3	Rotary Drum Dryer, ECOSTAN RDD 50 <ul style="list-style-type: none"> <li>• Input Capacity Up-to: 5,000 KG/HR</li> <li>• Output Capacity Up-to: 3,000 KG/HR</li> <li>• Input Moisture in Raw Material Up-to: 50%</li> <li>• Power Required: 64 HP</li> </ul>	1		48.85
4	Vibrating Table, ECOSTAN VIB 40 <ul style="list-style-type: none"> <li>• Production Capacity Up-to: 4,000 KG/HR</li> <li>• Power Required: 2 HP</li> </ul>	1		2.52
5	APFC 400 KVAR PANEL BOX	1	Quotation dated March 22, 2024 from Alka Electrical; Jaipur valid till June 07, 2024.	2.99
6	800 KVA 11/0.433 KV Aluminium Wound Three Phase Out-Door Oil Type with tapping Distribution Transformer As per IS 1180 Impedance: 4.5 % (-+Tolerance) With All Fitting & Accessories.	1	Quotation dated March 21, 2024 from M/S Shiv Transformers & Electricals (P) Ltd.; Jaipur valid for 80 days.	8.25
7	8TH XGJ560x2 3-4T/H Pellet Machine Line	1	Quotation dated March 22, 2024 from Shandong Bison Machine Co. Ltd; China valid for 30 days.	97.08
<b>TOTAL</b>				<b>206.99</b>

(Source – (1 USD = 83.3358 INR) [www.xe.com](http://www.xe.com) dated March 27, 2024)

**Notes:**

- a) We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
- b) All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipment's or at the same costs.
- c) The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of machinery or vendor or addition/deletion of any machinery) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment's or utilities, as required for manufacturing. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment's and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- d) We are not acquiring any second hand machinery.
- e) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the project cost.

Further, cost can be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty & taxes etc. Such cost escalation would be met out of either of surplus portion of net issue proceeds (if any) or our internal accruals. All amounts are exclusive of taxes.

## 2. To Meet Working Capital Requirements

Our business is working capital intensive as the major capital is invested in inventories and trade receivables. The Company will meet the requirement to the extent of Rs. [●] from the Net Proceeds of the Issue and balance from internal accruals and borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(Rs. in Lakhs)

Sr. No.	Particulars	Actual				Estimated	
		31-Mar-21	31-Mar-22	31-Mar-23	30-Sept-23	31-Mar-24	31-Mar-25
I	<b>Current Assets</b>						
	Trade receivables	18.38	123.92	336.40	378.21	668.49	1153.90
	Cash and Cash equivalents	1.47	35.11	120.12	144.96	78.66	95.95
	Inventories	12.80	8.11	8.11	32.50	60.00	491.30
	Short Term Loans & Advances	-	-	-	-	-	-
	Other current assets	-	2.33	73.04	198.00	115.45	404.10
	<b>Total(A)</b>	<b>32.65</b>	<b>169.47</b>	<b>537.67</b>	<b>753.67</b>	<b>922.6</b>	<b>2145.25</b>
II	<b>Current Liabilities</b>						
	Trade payables	3.56	100.27	166.35	240.50	229.55	317.36
	Other current liabilities	7.52	18.35	28.89	57.54	63.54	77.08
	Short-term provisions	(0.18)	3.77	54.74	41.10	99.42	185.10
	<b>Total (B)</b>	<b>10.9</b>	<b>122.39</b>	<b>249.98</b>	<b>339.14</b>	<b>392.51</b>	<b>579.54</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>21.75</b>	<b>47.08</b>	<b>287.69</b>	<b>414.53</b>	<b>530.09</b>	<b>1565.71</b>
IV	Funding Pattern						
	Borrowings						
	Internal accruals	21.75	47.08	287.69	414.53	530.09	[●]
	<b>IPO Proceeds</b>						[●]

Key assumptions for working capital projections made by Our Company:

Particulars	31-Mar-21	31-Mar-22	31-Mar-23	30-Sept-23	31-Mar-24	31-Mar-25
Debtors (in days)	363	57	21	32	27	29
Creditors (in days)	109	54	13	24	12	10
Inventories (in days)	394	4	1	3	3	13

Justification:

Sr. No.	Particulars
<b>Debtors</b>	The historical holding days of trade receivables has been ranging from 21 days to 363 days during Fiscal 2021 to Fiscal 2023. As per the current credit terms and prevalent trend of the industry & in order to expand company's operations, the holding level for debtors is anticipated at 27 Days of total revenue from operations during Fiscal 24. During F.Y. 2024-25, in order to increase the sales, the Company intends to keep trade receivables days to be near 29 days for F.Y. 2024-25. The projected increase in trade receivables days is a strategic decision aimed at fostering higher sales growth. We intend to provide our customers with extended credit periods, allowing them more time to settle their invoices. By offering this flexibility, we expect to stimulate increased sales volume and foster stronger customer relationships
<b>Creditors</b>	Past trend of Trade payables holding days has been in the range of 13 days to 109 days approximately during Fiscal 2021 to Fiscal 2023. However, with additional working capital funding, our Company intends to reduce trade payable to 10 days during Fiscal 2025, to avail cash discount as well as competitive purchase price to increase overall profitability of our Company. By reducing the time, it takes to settle our payables we aim to negotiate more favorable terms and conditions with our suppliers, enabling us to access competitive pricing for the goods we procure.

<b>Inventories</b>	Inventories include raw materials and finished goods. The historical holding days of inventories has been 1 days, 4 days and 394 days for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively. Company estimates inventories holding days to be around 3 days in Fiscal 24 and 13 days in Fiscal 25.
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### 3. General Corporate Purpose

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 the balance Fresh Issue proceeds aggregating Rs. [●] towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of Rs. [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

#### Public Issue Expenses

The total estimated Issue Expenses are Rs. [●], which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs. in Lakh)*	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchange	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees*, Underwriting fees and Miscellaneous Expenses)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

<sup>(1)</sup> Amounts will be finalized and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.

<sup>(2)</sup> Selling commission payable to the SCSBs on the portion for Retail Individual Investors. Non-Institutional Investors, which are directly procured by the SCSBs, would be as follows-

Portion for Retail Individual Applicants*	0.10% of the Amount Allotted* (plus applicable taxes)
Portion for Non- Institutional Applicants*	0.10% of the Amount Allotted* (plus applicable taxes)

\*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of stock exchange.

<sup>(3)</sup> No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Applicants and Non-Institutional Applicants which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Applicants	₹10 per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Applicants	₹10 per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1 lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹ 1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(4) The processing fees for applications made by Retail Individual Applicants using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	₹ 10 per valid application (plus applicable taxes)
Sponsor Bank	₹ 7 per valid Bid cum Application Form*(plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

\*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by RIIs (up to ₹200,000), Non-Institutional Applicants (for an amount more than ₹ 200,000 and up to ₹ 500,000) using the UPI Mechanism and in case if the total uploading charges/processing fees exceeds Rs 1 lakh (plus applicable taxes) then uploading charges/processing fees using UPI Mechanism will be paid on pro-rata basis.

(5) Selling commission on the portion for Retail Individual Applicants and Non-Institutional Applicants which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Applicants*	0.10% of the Amount Allotted* (plus applicable taxes)
Portion for Non- Institutional Applicants*	0.10% of the Amount Allotted* (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Applicants which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Applicants which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Applicants	₹10 per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Applicants	₹10 per valid Bid cum Application Form (plus applicable taxes)

\* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed Rs.1 lakh (plus applicable taxes) and incase if the total uploading/ bidding charges exceeds Rs 1 lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Applicants which are procured

by them and submitted to SCSB for blocking, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of NSE.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and/or Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Applicants 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.

**Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(Rs. In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 2024-25
1	Funding Capital Expenditure towards installation of additional plant and machinery.	206.99
2	To meet working capital requirements	[●]
3	General Corporate Purpose**	[●]
	<b>Total</b>	[●]

**Funds Deployed and Source of Funds Deployed:**

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (Rs. in Lakh)
Issue Expenses	[●]
<b>Total</b>	[●]

**Sources of Financing for the Funds Deployed:**

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (Rs. in Lakh)
Issue Expenses	[●]
<b>Total</b>	[●]

**Appraisal**

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

**Shortfall of Funds**

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

### **Bridge Financing Facilities**

As on the date of the Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, 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 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.

### **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, 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. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would 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**

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

### **BASIS FOR ISSUE PRICE**

Investors should read the following summary with the section titled "**Risk Factors**", the details about our Company under the section titled "**Our Business**" and its financial statements under the section titled "**Financial Information of the Company**" beginning on page 25, 96 and 140 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

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

### **QUALITATIVE FACTORS**

We believe the following business strengths allow us to successfully compete in the industry:

- A. Location Advantage
- B. Customer Centric Approach
- C. Eco- friendly product
- D. Experienced Promoter and Management team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "**Our Business**" beginning on page 96 of this Draft Red Herring Prospectus.

### **QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled "**Financial Information of the Company**" on page 140 of this Draft Red Herring Prospectus.

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

#### **1. Basic & Diluted Earnings per share (EPS) (Face value of Rs. 10 each):**

As per the Restated Financial Statements:-

<b>Sr. No</b>	<b>Period</b>	<b>Basic &amp; Diluted (Rs.)</b>	<b>Weights</b>
1.	Financial Year ending March 31, 2023	6.30	3
2.	Financial Year ending March 31, 2022	0.71	2
3.	Financial Year ending March 31, 2021	(0.05)	1
	<b>Weighted Average</b>	<b>3.38</b>	<b>6</b>
	Period ending September 30, 2023	<b>3.55*</b>	

\*not annualized

The company has issued Right Issue of 100000 shares on November 21,2023 and has further issued 3740000 shares as Bonus Allotment on January 12, 2024. We have considered Right issue and Bonus issue for calculation of EPS.

#### **Notes:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is Rs.10.00.
- iii. Earnings per Share has been calculated in accordance with Accounting Standard 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period

vi. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.*

**2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up**

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for the period ending March 31, 2023	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.

Note:

- i) *The P/E ratio has been computed by dividing Issue Price with EPS.*

**3. Return on Net worth (RoNW)\***

Sr. No	Period	RONW (%)	Weights
1	Period ending March 31, 2023	94.50	3
2	Period ending March 31, 2022	194.54	2
3	Period ending March 31, 2021	-	1
	<b>Weighted Average</b>	<b>112.10</b>	<b>6</b>
	Period ending September 30, 2023	<b>34.75**</b>	

\*Restated Profit after tax/Net Worth

\*\*not annualized

Note:

- i. *The figures disclosed above are based on the Restated Financial Statements of the Company.*  
 ii. *The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period*  
 iii. *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*

**4. Net Asset Value (NAV) per Equity Share:**

Sr. No.	NAV per Equity Share	Outstanding at the end of the year (Amt. in Rs.)
1	Period ending September 30, 2023	10.21
2	As at March 31, 2021	(0.35)
3	As at March 31, 2022	0.37
4	As at March 31, 2023	6.66
5	NAV per Equity Share after the Issue	[●]
	<b>(i) At Floor Price</b>	[●]
	<b>(ii) At Cap Price</b>	[●]
6	Issue Price	[●]

\*The above NAV has been calculated giving the effect of Bonus Share.

The company has issued Right Issue of 100000 shares on November 21, 2023 and has further issued 3740000 shares as Bonus Allotment on January 12, 2024. We have considered Right issue and Bonus issue for calculation of NAV.

Notes: -

1. *The figures disclosed above are based on the Restated Financial Statements of the Company.*  
 2. *NAV per share = Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period.*

3. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
4. Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

**5. Comparison of Accounting Ratios with Industry Peers:**

Name of Company	Current Market Price (₹)	Face Value	EPS		PE	RON W (%)	Book Value (₹)	Total Income (₹ In lakhs)
			Basic	Diluted				
Shubhshree Biofuels Energy Limited	[●]	10	6.30	6.30	[●]	94.50	6.66	5971.24

- i. There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.
- ii. The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2022-23.
- iii. NAV per share is computed as the closing net worth divided by the weighted average number of paid up equity shares as on March 31, 2023.
- iv. RONW has been computed as net profit after tax divided by closing net worth.
- v. Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- vi. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

**6. Key Performance Indicators**

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs herein have been certified by Ravi Sharma & Associates, Chartered Accountants, by their certificate dated March 22, 2024.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 96 and 178, respectively. We have described and defined the KPIs as applicable in “Definitions and Abbreviations” on page 1.

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

**Key Performance Indicators of our Company**

(All amounts in Rs. Lakhs)

Key Financial Performance	For the period	For the year		
	September 30, 2023	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations <sup>(1)</sup>	4323.13	5861.60	791.82	18.49
EBITDA <sup>(2)</sup>	139.64	225.90	34.21	1.08
EBITDA Margin <sup>(3)</sup>	3.23%	3.85%	4.32%	5.83%
PAT	136.61	242.38	27.46	(1.97)
PAT Margin <sup>(4)</sup>	3.16%	4.14%	3.47%	(10.63%)

RoE(%) <sup>(6)</sup>	42.06%	179.13%	7125.22%	12.77%
RoCE (%) <sup>(7)</sup>	36.30%	94.45%	50.71%	-4.57%

**Notes:**

<sup>(1)</sup> Revenue from operation means revenue from sales and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is which is defined as shareholders' equity plus total borrowings {current & non-current}

**Explanation for KPI metrics:**

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.

**Set forth below are the details of comparison of key performance of indicators with our listed industry peer:**

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of listed industry peers with our Company.

**Weighted average cost of acquisition**

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

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a right Issue as on November 21, 2023 during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-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 30 days:-

Date	Shares allotted	Face Value	Issue Price	Nature of allotment	Nature of consideration	Total consideration
November 21, 2023	1,00,000	10/-	125/-	Right Issue	Cash	1,25,00,000

**b) The price per share of our Company based on the secondary sale/ acquisition of shares (equity shares)**

There have been no secondary sale/ acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested),

in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities 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 irrespective of the size of transactions, is as below:

**Weighted average cost of acquisition & Issue price**

Types of transactions	Weighted average cost of acquisition	Issue price*	Cap Price
	(₹ per Equity Shares)	(i.e., ₹ [●])	i.e., ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	3.57	[●]	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA^	NA^	NA^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	Nil	Nil	Nil

**Note:**

*^There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) & 8(b) above, in last 18 months from the date of this Draft Red Herring Prospectus.*

*\* To be updated at Prospectus stage.*

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Jaipur edition of Regional newspaper [●] where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above mentioned information along with “Our Business”, “Risk Factors” and “Restated Financial Statements” on pages 96, 25 and 140 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” or any other factors that may arise in the future and you may lose all or part of your investments.

**STATEMENT OF SPECIAL TAX BENEFITS**

To,  
The Board of Directors,  
Shubhshree Biofuels Energy Limited  
Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg Nirman  
Nagar, Shyam Nagar, Jaipur, Rajasthan, 302019

Dear Sirs,

**Sub: Statement of Tax Benefits ('The Statement') available to Shubhshree Biofuels Energy Limited ('The Company') and its shareholders under the Direct and Indirect Tax Laws in India**

We hereby report that the enclosed annexure prepared by the management of **Shubhshree Biofuels Energy Limited**, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

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

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft offer document/ offer document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

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

**A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:**

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

**B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:**

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

**NOTES:**

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2023-24. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

- ✓ Deduction under the provisions of Section 10AA.
  - ✓ Deduction under clause (iia) of sub-section (1) of Section 32 (additional depreciation).
  - ✓ Deduction under section 32AD or Section 33AB or Section 33ABA
  - ✓ Deduction under section 35AD or Section 35CCC
  - ✓ Deduction under section 80G
6. Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

7. The Company has evaluated and decided not to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2020-21 to Financial Year 2022-23, however, the same option to exercise has been considered by the Company in Financial Year 2023-24.
8. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
9. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
10. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
11. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. 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.

Yours faithfully,  
**For, Ravi Sharma & Company.**  
**Chartered Accountants,**  
FRN: 015143C

Sd/-

**Sourabh Jain**  
**(Partner)**  
M. No. 431571  
Place: Jaipur  
Date: March 22, 2024

**SECTION V – ABOUT THE COMPANY**

**INDUSTRY OVERVIEW**

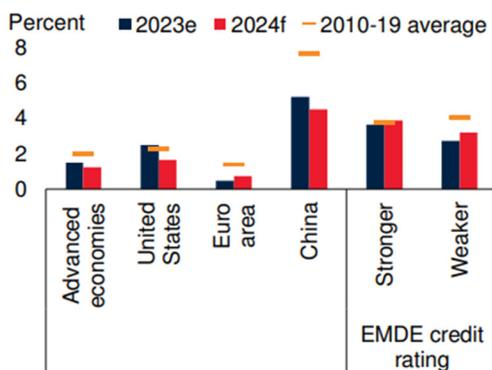
The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the 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 ECONOMY OVERVIEW**

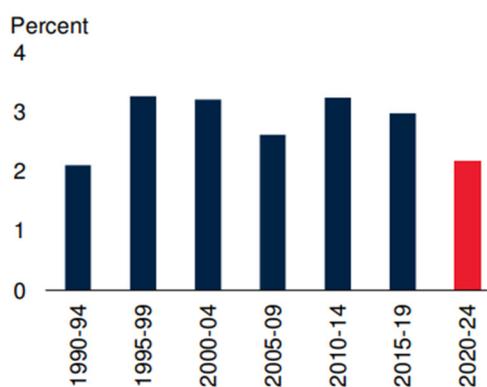
Global economic activity continues to soften, amid the effects of tight monetary policies, restrictive financial conditions, and weak global trade growth. After a sharp slowdown in 2022 and another decline last year, global output growth is set to edge down in 2024, marking the third consecutive year 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. 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. 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. 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.

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



**E. Global growth**



Global growth is expected to slow to 2.4 percent in 2024—the third consecutive year of deceleration—reflecting the lagged and ongoing effects of tight monetary policies to rein in decades-high inflation, restrictive credit conditions, and anemic global trade and investment. Near-term prospects are diverging, with subdued growth in major economies alongside improving conditions in emerging market and developing economies (EMDEs) with solid fundamentals. Meanwhile, the outlook for EMDEs with pronounced vulnerabilities remains precarious amid elevated debt and financing costs. Downside risks to the outlook predominate. The recent conflict in the Middle East, coming on top of the Russian Federation’s invasion of Ukraine, has heightened geopolitical risks. Conflict escalation could lead to surging energy prices, with broader implications for global activity and inflation.

Other risks include financial stress related to elevated real interest rates, persistent inflation, weaker-than-expected growth in China, further trade fragmentation, and climate change-related disasters. Against this backdrop, policy makers face enormous challenges and difficult trade-offs. International cooperation needs to be strengthened to provide debt relief, especially for the poorest countries; tackle climate change and foster the energy transition; facilitate trade flows; and alleviate food insecurity. EMDE central banks need to ensure that inflation expectations remain well anchored and that financial systems are resilient. Elevated public debt and borrowing costs limit fiscal space and pose significant challenges to EMDEs— particularly those with weak credit ratings—seeking to improve fiscal sustainability while meeting investment needs. Commodity exporters face the additional challenge of coping with commodity price fluctuations, underscoring the need for strong policy frameworks. To boost longer-term growth, structural reforms are needed to accelerate investment, improve productivity growth, and close gender gaps in labor markets.

*(Source-<https://openknowledge.worldbank.org/server/api/core/bitstreams/0245342f-38cd-4a7a-9936-35368744555d/content>)*

## **INDIAN ECONOMY OVERVIEW**

In general, global economic shocks in the past were severe but spaced out in time. This changed in the third decade of this millennium. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronized policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies. The rate hike and persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the IMF in its October 2022 update of the World Economic Outlook. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.

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.

*(Source : <https://www.indiabudget.gov.in/economicssurvey/doc/eschapter/echap01.pdf> )*

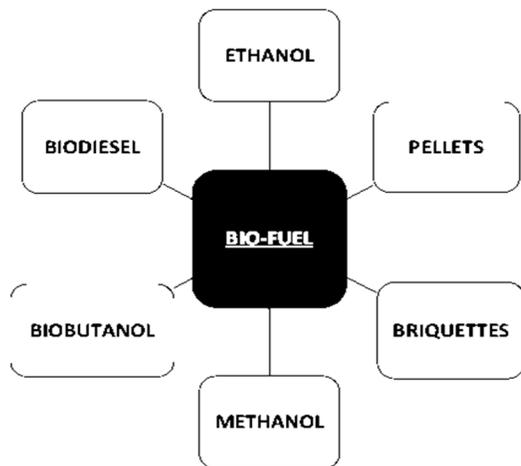
## **Biofuel Sector**

Bio-fuels provide a strategic advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth,

as well as in meeting the energy needs of India's vast rural population. Bio-fuels can increasingly satisfy these energy needs in an environmentally benign and cost-effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security. The Indian approach to bio-fuels is based solely on non-food feedstocks to be raised on degraded or wastelands that are not suited to agriculture, thus avoiding a possible conflict of fuel vs. food security.

(Source: <https://pib.gov.in/newsite/PrintRelease.aspx?relid=56469> )

**Some of the known Bio-Fuels across the world**

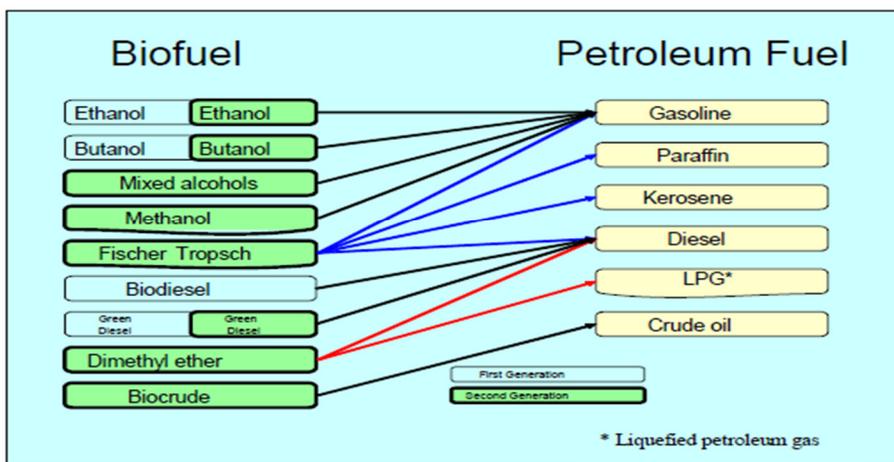


Biofuels are drawing increasing attention worldwide as substitutes for petroleum-derived transportation fuels to help address energy cost, energy security and global warming concerns associated with liquid fossil fuels. The term biofuel is used here to mean any liquid fuel made from plant material that can be used as a substitute for petroleum-derived fuel. Biofuels can include relatively familiar ones, such as ethanol made from sugar cane or diesel-like fuel made from soybean oil, to less familiar fuels such as dimethyl ether (DME) or Fischer Tropsch liquids (FTL) made from lignocellulosic biomass.

A relatively recently popularized classification for liquid biofuels includes “first-generation” and “second generation” fuels. There are no strict technical definitions for these terms. The main distinction between them is the feedstock used. A first-generation fuel is generally one made from sugars, grains, or seeds, i.e. one that uses only a specific (often edible) portion of the above-ground biomass produced by a plant, and relatively simple processing is required to produce a finished fuel. First-generation fuels are already being produced in significant commercial quantities in a number of countries. Second-generation fuels are generally those made from non-edible lignocellulosic biomass, either non-edible residues of food crop production (e.g. corn stalks or rice husks) or non-edible whole plant biomass (e.g. grasses or trees grown specifically for energy).

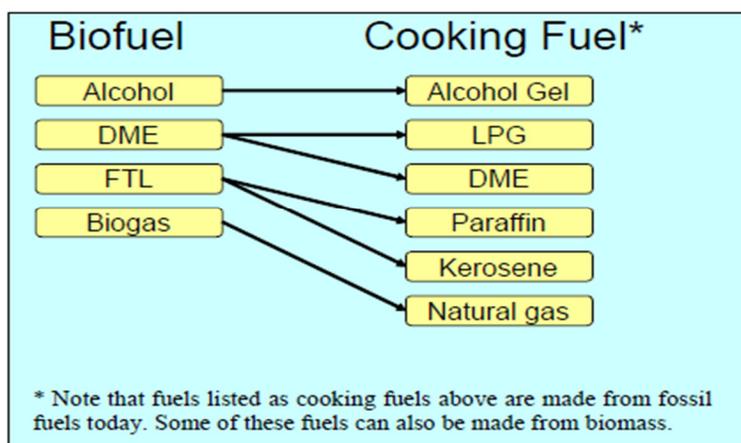
Figure 1 shows the substitutability of various biofuels for common petroleum-derived fuels. Alcohol fuels can substitute for gasoline in spark-ignition engines, while biodiesel, green diesel and DME are suitable for use in compression ignition engines. The Fischer-Tropsch process can produce a variety of different hydrocarbon fuels, the primary one of which is a diesel-like fuel for compression ignition engines.

**Figure 1. Substitutability of biofuels with common petroleum-derived fuels**



While there is much attention on biofuels for the transport sector, the use of biofuels for cooking (Figure 2), is a potential application of wide relevance globally, especially in rural areas of developing countries. In all cases, combustion of biofuels for cooking will yield emissions of pollutants that are lower (or far lower) than emissions from cooking with solid fuels. Some 3 billion people in developing countries cook with solid fuels and suffer severe health damages from the resulting indoor air pollution. Thus, biofuels could play a critical role in improving the health of billions of people. It is noteworthy that the scale of biofuel production needed to meet cooking energy needs is far smaller than that for meeting transportation fuel needs. One estimate is that some 4 to 5 exajoules 2 per year of clean cooking fuel would be sufficient to meet the basic cooking needs of 3 billion people. This is the equivalent of about 1 per cent of global commercial energy use today.

**Figure 2. Substitutability of biofuels for clean fossil fuels used for cooking**

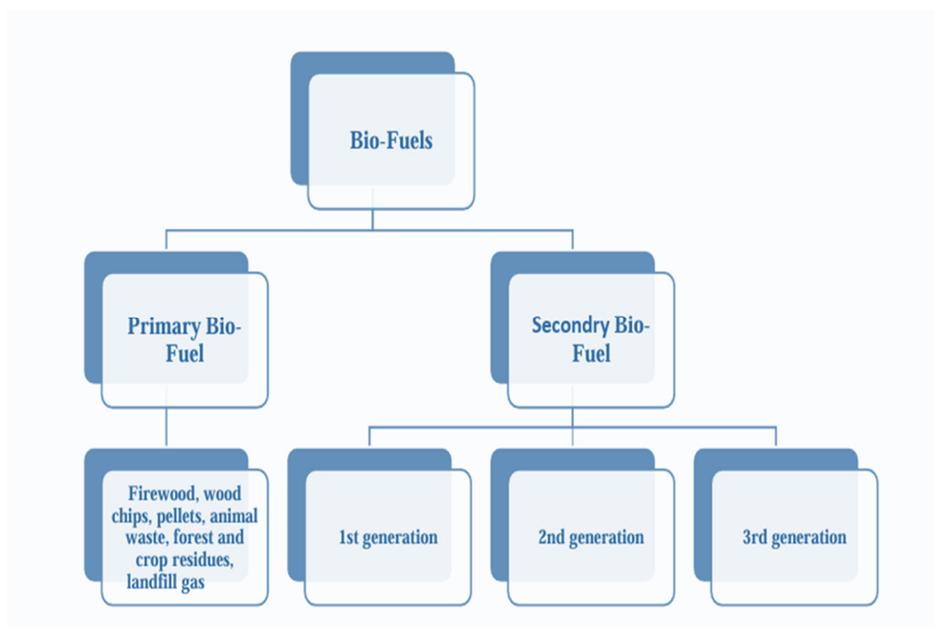


Many industrialized countries are pursuing the development of expanded or new biofuels industries for the transport sector, and there is growing interest in many developing countries for similarly “modernizing” the use of biomass in their countries and providing greater access to clean liquid fuels. Biofuels may be of special interest in many developing countries for several reasons. Climates in many of the countries are well suited to growing biomass. Biomass production is inherently rural and labor-intensive, and thus may offer the prospects for new employment in regions where the majority of populations typically reside. Restoration of degraded lands via biomass-energy production may also be of interest in some areas. The potential for producing rural income by production of high-value products (such as liquid fuels) is attractive. The potential for export of fuels to industrialized-country markets also may be appealing. In addition, the potential for reducing greenhouse gas emissions may offer the possibility for monetizing avoided emissions of carbon, e.g., via Clean Development Mechanism credits.

(Source : United Nations Conference on Trade and Development)  
[https://unctad.org/system/files/official-document/ditcted200710\\_en.pdf](https://unctad.org/system/files/official-document/ditcted200710_en.pdf)

**CLASSIFICATION OF BIO FUELS :-**

A relatively recently popularized classification for liquid biofuels includes “first-generation” and “second-generation” fuels. There are no strict technical definitions for these terms. The main distinction between them is the feedstock used. A first-generation fuel is generally one made from sugars, grains, or seeds, i.e. one that uses only a specific (often edible) portion of the above-ground biomass produced by a plant, and relatively simple processing is required to produce a finished fuel. First-generation fuels are already being produced in significant commercial quantities in a number of countries. Second-generation fuels are generally those made from non-edible lignocellulosic biomass, either non-edible residues of food crop production (e.g. corn stalks or rice husks) or non-edible whole plant biomass (e.g. grasses or trees grown specifically for energy).



**Table 1. Biofuel classification**

First-generation biofuels (from seeds, grains or sugars)	Second-generation biofuels (from lignocellulosic biomass, such as crop residues, woody crops or energy grasses)
<ul style="list-style-type: none"> <li>• Petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Ethanol or butanol by fermentation of starches (corn, wheat, potato) or sugars (sugar beets, sugar cane)</li> </ul> </li> <li>• Petroleum diesel substitutes               <ul style="list-style-type: none"> <li>– Biodiesel by transesterification of plant oils, also called fatty acid methyl ester (FAME) and fatty acid ethyl ester (FAEE)                   <ul style="list-style-type: none"> <li>▪ From rapeseed (RME), soybeans (SME), sunflowers, coconut, palm, jatropha, recycled cooking oil and animal fats</li> </ul> </li> <li>– Pure plant oils (straight vegetable oil)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Biochemically produced petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Ethanol or butanol by enzymatic hydrolysis</li> </ul> </li> <li>• Thermochemically produced petroleum-gasoline substitutes               <ul style="list-style-type: none"> <li>– Methanol</li> <li>– Fischer-Tropsch gasoline</li> <li>– Mixed alcohols</li> </ul> </li> <li>• Thermochemically produced petroleum-diesel substitutes               <ul style="list-style-type: none"> <li>– Fischer-Tropsch diesel</li> <li>– Dimethyl ether (also a propane substitute)</li> <li>– Green diesel</li> </ul> </li> </ul>

(Source : United Nations Conference on Trade and Development)  
[https://unctad.org/system/files/official-document/ditcted200710\\_en.pdf](https://unctad.org/system/files/official-document/ditcted200710_en.pdf)

**First Generation Bio-Fuels**

The most well-known first-generation biofuel is ethanol made by fermenting sugar extracted from sugar cane or sugar beets, or sugar extracted from starch contained in maize kernels or other starch-laden crops. Similar processing, but with different fermentation organisms, can yield another alcohol, butanol. Commercialization efforts for butanol are ongoing, while ethanol is already a well-established industry. Many countries are expanding or contemplating expanding their first-generation ethanol production, with Brazil and the United States having by far the largest expansion plans. From the perspective of petroleum substitution or carbon emissions mitigation efficiencies, the potential for most first-generation biofuels is limited. In addition, the significant amount of fossil fuel used to produce this ethanol substantially offsets the carbon emissions reductions from photosynthetic uptake of carbon by the corn plants.

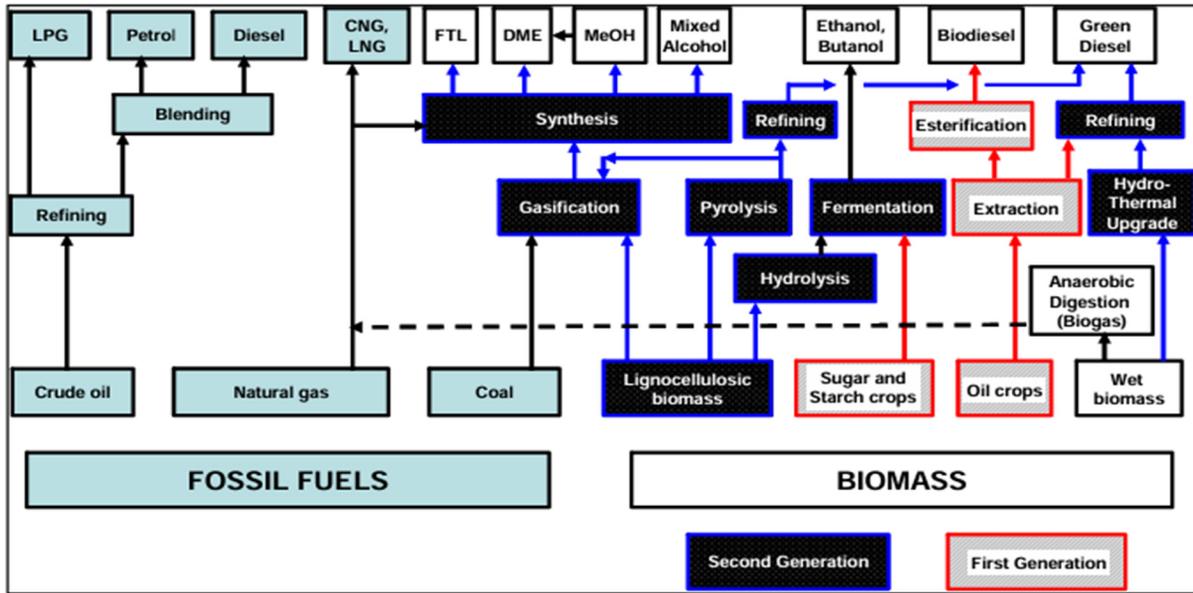
**Pros and Cons of First Generation Biofuels**

Pros	Cons
<ul style="list-style-type: none"> <li>• Simple and well-known production methods</li> <li>• Familiar feedstocks</li> <li>• Scalable to smaller production capacities</li> <li>• Fungibility with existing petroleum-derived fuels</li> <li>• Experience with commercial production and use in several countries</li> </ul>	<ul style="list-style-type: none"> <li>• Feedstocks compete directly with crops grown for food</li> <li>• Production by-products need markets</li> <li>• High-cost feedstocks lead to high-cost production (except Brazilian sugar cane ethanol)</li> <li>• Low land-use efficiency</li> <li>• Modest net reductions in fossil fuel use and greenhouse gas emissions with current processing methods (except Brazilian sugar cane ethanol)</li> </ul>

**Second Generation Bio fuels**

Second-generation biofuels share the feature of being produced from lignocellulosic biomass, enabling the use of lower-cost, non-edible feedstocks, thereby limiting direct food vs. fuel competition. Second-generation biofuels can be further classified in terms of the process used to convert the biomass to fuel: biochemical or thermochemical. Second-generation ethanol or butanol would be made via biochemical processing, while all other second-generation fuels discussed here would be made via thermochemical processing. Second-generation thermochemical biofuels may be less familiar to most readers than second-generation ethanol, because there are no first-generation analogs. On the other hand, many second-generation thermochemical fuels are fuels that are already being made commercially from fossil fuels using processing steps that in some cases are identical to those that would be used for biofuel production. These fuels include methanol, refined Fischer-Tropsch liquids (FTL), and dimethyl ether (DME). Mixed alcohols can also be made from fossil fuels, but. The other thermochemical biofuel in is green diesel, for which there is no obvious fossil fuel analog. Unrefined fuels, such as pyrolysis oils, are also produced thermochemically, but these require considerable refining before they can be used in engines.

**Production Pathways to liquid fuels from biomass and for comparison, from fossil fuels**



**Second generation Biochemical Biofuels**

The fuel properties of second-generation ethanol or butanol are identical to those of the first generation equivalents, but because the starting feedstock is lignocellulose, fundamentally different processing steps are involved in producing them. Second-generation biochemically-produced alcohol fuels are often referred to as “cellulosic ethanol” and “cellulosic biobutanol”.

**Second generation Thermochemical Biofuels**

Thermochemical biomass conversion involves processes at much higher temperatures and generally higher pressures than those found in biochemical conversion systems. Key intrinsic characteristics distinguishing thermochemical from biochemical biofuels are the flexibility in feedstocks that can be accommodated with thermochemical processing and the diversity of finished fuels that can be produced.

*(Source : United Nations Conference on Trade and Development)*  
[https://unctad.org/system/files/official-document/ditcted200710\\_en.pdf](https://unctad.org/system/files/official-document/ditcted200710_en.pdf)

**Advantages to renewable energy sector in India**



(Source:- <https://www.ibef.org/industry/renewable-energy/showcase> )

### Government focus on Biomass Briquettes as a Substitute of Coal

Key highlights of revised policy of Ministry Of Power for biomass utilization for power generation through co – firing in coal based power plants

- Ministry of power vide its policy dated November 17, 2017 on biomass utilization for power generation has advised that all fluidized bed and pulverized coal units (coal based thermal power plants) except those having ball and tube mill of power generation utilities, public and private, located in India, to use 5-10% blend of biomass pellets made, Primarily, of Agro residue along with coal after assessing the technical feasibility.
- In order to further promote use of biomass pellets in coal based thermal power plants, the above Policy is further modified. The modifications in the above Policy are as under:
  - All coal based thermal power plants of power generation utilities with bowl mill, shall on annual basis mandatorily use 5 percent blend of biomass pellets made, primarily, of agro residue along with coal with effect from one year of the date of issue of this guideline. The obligation shall increase to 7 percent with effect from two years after the date of issue of this order and thereafter.
  - All coal based thermal power plants of power generation utilities with ball & race mill, shall on annual basis mandatorily use 5 % blend of biomass pellets (torrefied only) made, primarily, of agro residue along with coal. This is to be complied within one year starting from this order. Two years from the date of issue of this order and thereafter the obligation will increase to 7 percent.
  - All coal based thermal power plants of power generation utilities with ball & tube mills, shall on annual basis mandatorily use 5 % blend of torrefied biomass pellets with volatile content below 22%, primarily made of agro residue along with coal. This is to be complied within one year.
  - Generating Utilities having certain units under Reserve Shutdown or not being despatched due to MOD

(Merit Order Despatch) consideration would ensure to increase the percentage of co-firing up to 10 % in their other operating units/ plants (5 % in plants having ball and tube mills).

**(Source : Revised Biomass policy , Ministry Of Power)**

**[https://powermin.gov.in/sites/default/files/Revised Biomass Policy dtd 08102021.pdf](https://powermin.gov.in/sites/default/files/Revised_Biomass_Policy_dtd_08102021.pdf)**

All coal based thermal power plants of power generation utilities with bowl mills, shall on annual basis mandatorily use minimum 5% blend of biomass pellets made, primarily , of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26.

All coal based thermal power plants of power generation utilities with ball & race mills, shall on annual basis mandatorily use 5% blend of biomass pellets(torrefied only) made, primarily, of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26.

All coal based thermal power plants of power generation utilities with ball & tube mills, shall on annual basis mandatorily use 5% blend of torrefied biomass pellets with volatile content below 22%, primarily made of agro residue along with coal with effect from FY 2024-25.

**(Source : Revised Biomass policy dated June 16, 2023, Ministry Of Power)**

Utilization of crop residue. - All coal based thermal power plants of power generation utilities shall mandatorily use minimum five percent blend of pellets or briquettes made of crop residue along with coal. For non-utilization of crop residue as provided in rule 2, the Commission for Air Quality Management in National Capital Region and Adjoining Areas, constituted under the Commission for Air Quality Management of National Capital Region and Adjoining Areas shall impose and collect compensation from such thermal power plant on annual basis at the rates specified in the table given below:

<b>(1) Rate of environmental compensation for the year 2024-2025:</b>	
<b>Percentage of crop residue pellets or briquettes utilized on annual basis</b>	<b>Rate of environmental Compensation (Rs. Per unit of electricity generated)</b>
Less than or equal to five per cent but more than four per cent	0.0
Less than or equal to four per cent but more than three per cent	0.0
Less than or equal to three per cent but more than two per cent	0.01
Less than or equal to two per cent but more than one per cent.	0.02
Less than or equal to one per cent but more than zero per cent	0.03
<b>(2) Rate of environment compensation for the year (2025-2026) onwards</b>	
<b>Percentage of crop residue pellets or briquettes utilised on annual basis</b>	<b>Rate of environmental Compensation (Rs. Per unit of electricity generated)</b>
Less than five per cent but more than or equal to four per cent	0.01
Less than four per cent but more than or equal to three per cent	0.02
Less than three per cent but more than or equal to two per cent.	0.03
Less than two per cent but more than or equal to one per cent	0.04
Less than one per cent but more than or equal to zero per cent	0.05

**(Source - Ministry Of Environment, Forest And Climate Change, Draft Notification, New Delhi, July 11, 2023)**

## **OUR BUSINESS**

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year. In this section, a reference to the “Company” or “we”, “us” or “our” means Shubhshree Biofuels Energy Limited.*

*All financial information included herein is based on our “Financial information of the Company” included on page 140 of this Draft Red Herring Prospectus.*

### **Business Overview**

Our Company is engaged in the business of supplying of biomass fuels, which includes biomass pellets and briquettes. These biomass fuels are an alternative source of energy which are basically used in commercial and industrial heating, cooking fuel, industrial burning and electricity generation, as an alternative to fossil fuels like coal, firewood, lignite, Agri-waste etc. The briquettes are majorly used for industrial purposes like running boilers etc. and the pellets are majorly used as cooking fuel or commercial purposes. We are currently selling these pellets and briquettes to customers who are engaged in the business of recycling material, textile processing, pharmaceutical, metal etc.

These Biomass pellets and briquettes are built from recycled green waste, producing less greenhouse gas emission. The main raw material used in the manufacturing of biomass fuels include Agri-waste, saw dust, farm waste etc. These raw materials are procured from the farmers and nearby sources either directly or through dealers and brokers. Apart, from the biomass manufactured by our company, we are also involved in the supplying of the biomass pellets and briquettes, which are procured from different vendors who are engaged in the manufacturing of these biomass fuels.

Our company was incorporated in 2013 post incorporation our company was undertaking the business of manufacturing and supplying of building and construction material like fly ash bricks etc. Later, during December 2021, the company discontinued the business of fly ash bricks and foray into the business of supplying of biomass pellets and biomass briquettes. Looking at the market response and opportunity in this business, we established our manufacturing facility located at Khasra No 33/1, Village Pahadi , Teh. Niwai , District Tonk Rajasthan -304021 from October 2023, where we have installed 3 briquettes cum pelleting machines, one of which is owned by us and the rest 2 are taken on rent along with the premises, having a combined capacity of 132 tonnes per day. For the period October 2023 to February 2024, we have manufactured 12090 tonnes of biomass fuels against our total sales which was approximately 50600 tonnes and the share of manufactured goods were approximately 23.8% of our total sales.

Biomass pellet or briquettes are cylindrical and condensed form of organic material derived from various renewable sources. These pellets serve as an alternative to traditional fossil fuels and play a significant role in addressing energy and environmental challenges. These biomass fuels act as renewable energy source, reduce emissions, helps in utilization of the waste materials and are energy efficient. We have during the Fiscal year 2022 sold around 9700 tonnes of biomass fuels which increased to around 59400 tonnes in fiscal year 2023 representing an increase of over 500% and further increased to around 52400 tonnes during the period April 2023 to September 2023. Further, during the same period our revenue from operations also grew from Rs. 18.49 lakhs in Fiscal year 2021, to Rs. 791.82 lakhs in Fiscal year 2022, to Rs. 5861.60 lakhs in Fiscal year 2023 and Rs. 4323.13 Lakhs for the period September 30, 2023.

Further, in order to increase the use of Biomass pellets in briquettes, the Ministry of Power has mandated that all coal based thermal power plants of power generation utilities with bowl mills, shall on annual basis mandatorily use minimum 5% blend of biomass pellets made, primarily, of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26. All coal based thermal power plants of power generation utilities with ball & race mills, shall on annual basis mandatorily use 5% blend of biomass pellets (torrefied only) made, primarily, of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26. All coal based thermal power plants of power generation utilities with ball & tube

mills, shall on annual basis mandatorily use 5% blend of torrefied biomass pellets with volatile content below 22%, primarily made of agro residue along with coal with effect from FY 2024-25 vide a notification dated June 16, 2023.

We currently sell majority of our products in the Northern States of India among which especially Haryana, Uttar Pradesh, Rajasthan and NCR region being the highest contributor to our revenue from operations. Our top 5 customers contribute majority of our revenues from operations i.e. 70.57%, 62.86%, 66.94%, and 92.49% of our revenue from operations for the period September 30, 2023, Fiscal year 2023, 2022 and 2021 respectively. Further Company sold approx. 59.08%, 49.64%, 34.46% and Nil in period September 30, 2023, FY 2022-23, FY 2021-22, and FY 2020-21 respectively to our top one customer. Further, the company has recently received a purchase order for short term supply of biomass approximately 31600 tonnes to a company engaged in metal industry for a period of 5 months and also received an order for supply of biomass pellets approximately 14600 tonnes for a period of 1 year from a power sector company.

The promoters of our company are Anurag Agarwal, Aastha Agarwal and Sagar Agrawal. Sagar Agrawal is a Promotor having an experience of 10 Years and Anurag Agarwal and Aastha Agarwal having an experience of 2.5 Years in the field of Biomass fuels The knowledge and guidance of our promoters and directors have been instrumental for the growth and development of the Company. Under the guidance of our promoter and the support of our employees, we have evolved ourselves into a company engaged in the manufacturing of the biomass fuel, which can act as an alternative to fossil fuels and lead to safer and greener fuel option to our customers.

### Financial Snapshot

(All amounts in Rs. Lakhs)

Key Financial Performance	For the period	For the year		
	September 30, 2023	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations <sup>(1)</sup>	4323.13	5861.60	791.82	18.49
EBITDA <sup>(2)</sup>	139.64	225.90	34.21	1.08
EBITDA Margin <sup>(3)</sup>	3.23%	3.85%	4.32%	5.83%
PAT	136.61	242.38	27.46	(1.97)
PAT Margin <sup>(4)</sup>	3.16%	4.14%	3.47%	(10.63%)
RoE(%) <sup>(6)</sup>	42.06%	179.13%	7125.22%	12.77%
RoCE (%) <sup>(7)</sup>	36.30%	94.45%	50.71%	-4.57%

#### Notes:

<sup>(1)</sup> Revenue from operation means revenue from sales and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is which is defined as shareholders' equity plus total borrowings {current & non-current}

### Geographical Revenue Break up

Sr. No.	State	Revenue (Amount in Lakhs)							
		30-Sep-23	%	31-Mar-23	%	31-Mar-22	%	31-Mar-21	%
1	Uttar Pradesh	3,139.16	72.61	3,405.12	58.09	456.26	57.62	0	0
2	Haryana	807.64	18.68	1,747.47	29.81	208.27	26.30	0	0
3	Rajasthan	184.95	4.28	491.82	8.39	3.36	0.42	18.49	100
4	Delhi	29.19	0.68	120.69	2.06	0	0.00	0	0
5	Gujrat	0	0.00	41.04	0.70	108.36	13.68	0	0
6	Uttarakhand	107.02	2.48	2.35	0.04	0	0.00	0	0
7	Other	55.18	1.28	53.11	0.91	15.57	1.97	0	0
	<b>Total</b>	<b>4,323.14</b>	<b>100.00</b>	<b>5,861.60</b>	<b>100.00</b>	<b>791.82</b>	<b>100.00</b>	<b>18.49</b>	<b>100</b>

## **Our Products –**

We supply and sell biomass fuels in both pellets and briquettes form.

### **Biomass Pellets –**

Bio Pellets are 6 mm - 25 mm in diameter cylindrical shape. Pellets are manufactured in several types and grades as fuels for domestic purposes, commercial purposes at small industries and shops and other applications. Pellets can be used as substitutes of industrial fuels. The categorization of the pellets are done based on the size, type of material used in the manufacturing, moisture content of the product, combustion efficiency etc.



#### **Mustard Pellet**

**Size – 8 mm – 25 mm**

**GCV – 3300 - 3500**

**Ash – 8 - 10%**

**Moisture - 5 - 10%**



#### **Sawdust Pellets**

**Size – 6 mm**

**GCV – 4000 - 4200**

**Ash – 3%**

**Moisture - 5 - 10%**



#### **Groundnut Pellets**

**Size – 8mm – 10 mm**

**GCV – 3800 - 4200**

**Ash – 4 - 8%**

**Moisture - 5 - 10%**

### **Biomass fuel Briquettes**

Briquette are 90 mm in diameter and cylindrical in shape. They can be used as a substitute of solid fuel like coal, charcoal, firewood etc. A briquette provides higher calorific value than coal when used for firing industrial boilers. Briquette are mostly used in pharmaceutical, chemical industries, dyeing process house etc. Biomass Briquettes can also be used in ceramic and refractory industries, spinning mills, chemical units, textile processing units, solvent extraction plant brick making units.



#### **Mustard Briquettes**

**Size – 70 mm – 90 mm**

**GCV – 3300 - 3800**

**Ash – 8 - 10%**

**Moisture - 5 - 10%**



**Sawdust Briquettes**

**Size** – 70 mm – 90 mm  
**GCV** – 3800 - 4200  
**Ash** – 6-10%  
**Moisture** - 5 - 10%



**Groundnut Briquettes**

**Size** – 70 mm – 90 mm  
**GCV** – 3300 - 3800  
**Ash** – 4 - 8%  
**Moisture** - 5 - 10%

**OUR COMPETITIVE STRENGTH**

**A. Location Advantage**

Our factory is located at Khasra No 33/1, Village Pahadi , Teh. Niwai , District Tonk, Rajasthan. We procure most of our raw material requirements relating to agricultural waste from the farms which are located at nearby locations. The availability of the raw material at the farmland in the nearby locations of our factory, helps us in faster and cost effective procurement of agricultural waste.

**B. Customer Centric Approach**

We believe in a customer centric approach where we focus on providing the customers with the best possible quality and composition of product which is very important for the success of the business. Apart from the quality of the products, the timely delivery of the product is very important for the success of our Company. Thus, by maintaining a customer centric approach we have been able to establish better relationship with our customers.

**C. Eco- friendly product**

Our Company provides eco-friendly product viz. Bio- pellets and briquettes which are considered to be a good substitute of fossil fuels in those industries where use of fossil fuels such as coal, gas, lignite, diesel etc. is made in large quantities. Globally, biomass fuels assume importance due to growing energy security and environmental concerns. Bio fuels seek to provide a higher degree of national energy security in an environmentally friendly and sustainable manner by supplementing conventional energy resources, reducing dependence on imported fossil fuels and meeting the energy needs of India’s urban and vast rural population. (Source :National Policy on Biofuels – 2018, made by Ministry of Petroleum and Natural Gas, Government of India).

**D. Experienced Promoter and Management team**

The Promoters of our Company, Anurag Agarwal, Aastha Agarwal and Sagar Agrawal. Sagar Agrawal is a Promotor having an experience of 10 Years and Anurag Agarwal and Aastha Agarwal having an experience of 2.5 Years in the field of Biomass fuels The knowledge and guidance of our promoters and directors have been instrumental for the growth and development of the Company. Further our Company is managed by a team of experienced personnel. We believe that our management team’s experience and their understanding of the biomass fuel business will enable us to continue to take advantage of both current and future market opportunities.

## **OUR BUSINESS STRATEGIES**

### ***A. Capitalize on the government awareness towards use of biomass***

As per the revised policy of Ministry of Power for Biomass utilization for power generation through co-firing in coal based power plants “The current availability of biomass in India is estimated at about 750 million metric tonnes per year. The estimated surplus biomass availability is at about 230 million metric tonnes per annum covering agricultural residues. All coal based thermal power plants of power generation utilities with bowl mills, shall on annual basis mandatorily use minimum 5% blend of biomass pellets made, primarily, of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26. All coal based thermal power plants of power generation utilities with ball & race mills, shall on annual basis mandatorily use 5% blend of biomass pellets (torrefied only) made, primarily, of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26. All coal based thermal power plants of power generation utilities with ball & tube mills, shall on annual basis mandatorily use 5% blend of torrefied biomass pellets with volatile content below 22%, primarily made of agro residue along with coal with effect from FY 2024-25. Further, For non-utilization of crop residue, the Commission for Air Quality Management in National Capital Region and Adjoining Areas, constituted under the Commission for Air Quality Management of National Capital Region and Adjoining Areas shall impose and collect compensation from such thermal power plant on annual basis for non-utilization of the requisite quantity of Biomass”. We believe that we are well poised to take advantages of the government initiative towards the use of the Biomass fuels for co-firing of the coal based thermal power plants.

### ***B. Focus towards increasing the share of manufactured goods***

Our company was earlier engaged in the business of manufacturing and supplying of building and construction material like fly ash bricks etc. Later, during December 2021, the company discontinued the business of fly ash bricks and foray into the business of supplying of biomass pellets and biomass briquettes. Looking at the market response and opportunity in this business, we established our manufacturing facility located at Khasra No 33/1, Village Pahadi, Teh. Niwai, District Tonk Rajasthan -304021 from October 2023, where we have installed 3 briquettes cum pelleting machines, having a combined capacity of 132 tonnes per day. Post the establishment of the manufacturing facility we have manufactured 12090 tonnes of biomass fuels for the period October 2023 to February 2024. During the same period, our total sales was approximately 50600 tonnes, thus the share of manufactured goods were approximately 23.8% of our total sales. We plan to increase the share of the manufactured goods as part of our total sales, which could help us in improving our margins and improve the profitability of the Company.

### ***C. Widening our customer base***

Our top 5 customers contribute majority of our revenues from operations i.e. 70.57%, 62.86%, 66.94%, and 92.49% of our revenue from operations for the period September 30, 2023, Fiscal year 2023, 2022 and 2021 respectively. Further Company sold approx. 59.08%, 49.64%, 34.46% and Nil in period September 30, 2023, FY 2022-23, FY 2021-22, and FY 2020-21 respectively to our top one customer. As our growth strategy, we plan to expand our sales with the existing customers along with finding new customers. Further, due to our continuous efforts towards adding new customer, the company has recently received a purchase order for short term supply of biomass approximately 31600 tonnes to a company engaged in metal industry for a period of 5 months and also received an order for supply of biomass pellets approximately 14600 tonnes for a period of 1 year from a power sector company. Thus, by including new customers in our basket we can widen our customer base and reduce the reliance on limited number of customers.

### ***D. Increasing our geographical presence***

We currently sell majority of our products in the Northern States of India among which especially Haryana, Uttar Pradesh, Rajasthan and NCR region being the highest contributor to our revenue from operations. We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the reach of our products in different parts of the country. Furthermore, we have deployed various dealers, marketing representatives for increasing our sales. We propose to enter into new geographies and increase our marketing and sales team which can focus on different regions and also maintain and establish relationship with customers. We aim to achieve this by adding value to our customers through quality assurance, timely delivery and reliability.

## PROCESS DESCRIPTION



- 1. Material procurement and Storage** – The principal raw material used in the manufacture of products comprises of Mustered Husk, Groundnut Husk, Paddy Straw, Saw Dust and other additives. These materials are procured from local suppliers which include farmers and brokers/ dealers. The material so purchased is inspected for the desired quality and the moisture content etc. Once the same is approved the products is moved to the storage area for storage till production.
- 2. Griding** – The raw material is transferred to the dumping hooper from where they move the hammer mill for grinding purpose through conveyer belts. During transfer to the Hammer mill the raw material is cleaned through magnets and jute removals. From here the material and transferred to the Hammer mill for grinding purpose and breaking into small particles. This step ensures proper mixing of the raw material, so that the finished stock meets the exact customers’ requirements.
- 3. Pelleting and Cooling** – The pelleting machine uses heat and pressure to convert the mixture of Agri-waste, saw dust etc. received from the previous step. As per the requirements of the customer, the machine is adjusted with the size requirements of the production of the pellets or briquettes of the appropriate length and size.
- 4. Packing and Dispatch** – During this step the pellet or briquettes received are packed based on the grading and different varieties. Post packaging the bags are stored in the warehouse until dispatch to the customers.

## OUR MANUFACTURING FACILITY

Khasra No 33/1, Village Pahadi , Teh. Niwai , District Tonk, Rajasthan





### **CAPACITY AND CAPACITY UTILIZATION**

We currently have 3 identical machines installed at our manufacturing facility, which has a combined manufacturing capacity of 132 tonnes per day . Below are the details of the Plant’s manufacturing capacity of the company from October 2023 (post the installation of the plant and machinery at the manufacturing facility.) –

**Khasra No 33/1, Village Pahadi , Teh. Niwai , District Tonk, Rajasthan**

<b>Particular</b>	<b>October 2023 – February 2024</b>
Installed Capacity	18460
Actual Production	12090
Capacity Utilization	65.49%

*\*as per the certificate received from Dinesh Kumar Chhangani, Chartered Engineer dated March 23, 2024.*

*\*\*based on 2 shifts of 11 hours each*

The company has started production from October 2023, hence installed capacity and capacity utilisation cannot be ascertained for period before September 2023.

### **EXPORT OBLIGATION**

Our Company does not have any export obligation as on date of this Draft Red Herring Prospectus.

### **COLLABORATIONS/TIE UPS/ JOINT VENTURES: -**

In the normal course of our business, we have not entered into any collaborations/tie ups/ joint ventures.

### **COMPETITION: -**

Biomass fuel being a unique and global industry, we face competition from various domestic and international players. The industry is also unorganized and fragmented with many small and medium-sized companies and entities. On a regional basis, we compete with a large number of companies and different entities in all of our geographic markets. Due to industry’s fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.

### **SALES AND MARKETING**

For the period September 30, 2023, FY 22-23, FY 21-22 and FY 2020-21 our top 5 customers contributed to 70.57%, 62.86%, 66.94%, and 92.49% of our revenue from operations. The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our sales channels that are associated with our Company. Our Management team is dedicated to pursue and enhance our business interest in biomass fuel business. Our team through their experience and good rapport with clients owing to timely and quality delivery of products plays an instrumental role in creating new sales orders and expanding the current volume of our business year on year. In order to maintain good relation with customers, our promoters regularly interact with them and focuses on gaining an insight into the additional needs of customers. Our prime consideration for customer selection is timely payments and consistency in purchases.

Our marketing strategy –

We intend to focus on following marketing strategies:

1. Focus on entering into new markets
2. To expand our existing Client base
3. Continuously holding market trends
4. Supply of Quality Products
5. Fulfillment of Order in a timely manner

**INFRASTRUCTURE & UTILITIES: -**

**Materials:** - Our company is engaged in the business of supply and production biomass pellets and briquettes. The major raw material required by our company includes saw dust, Agri waste, mustards plant waste, groundnut chipping etc. All of these raw material are procured from the farmers, land owners and dealers/agents who are involved in the selling of these materials. We have over the years, established relationship with major suppliers, farm owners, farmers and other agents which help us to procure our raw material. Further, we also purchase finished biomass pellets and briquettes for our trading business, which are mostly procured from the direct small manufactures.

**Power:** - Power requirements for our office and factory are very limited and is met through state electricity board.

**Water:** - Since we are into in the business of supply and production pellets and briquettes our water requirement is restricted to water used in the office.

**Human Resource: -**

Our Company has a total strength of 26 employees as on the date of filing the DRHP which looks after the different aspects of our business like Accounts & Finance, Purchase, Production and Sales & Marketing.

The classification of the Employees as per their qualification and designation is stated below:-

<b>Category</b>	<b>No of Employees</b>
Accounts & Finance	07
Purchase	04
Production	05
Sales & Marketing	10
<b>Total</b>	<b>26</b>

**INSURANCE: -**

We maintain a range of insurance policies to cover our assets, risks, and liabilities. As of the date of this Draft Red Herring Prospectus, we have obtained various insurance policies such as-

- Factory Insurance
- Vehicle Insurance

- Office Insurance

We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations. Although, many events could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which may expose us to certain risks and liabilities. For further details of risk associated with the insurance refer section titles “Risk Factor” on page 25 of this Draft Red Herring Prospectus.

**PROPERTY: -**

**Intellectual Property: -**

The Details of trademark used by the Company is: -

Sr. No.	Brand Name/Logo/ Trademark	Class	Nature of Trademark	Owner	Application Number and Date	Status
1.		4	Device	Shubhshree Biofuels Energy Limited	10376165 29/03/2024	Applied

**IMMOVABLE PROPERTY: -**

Details of our properties are as follows: -

Sr. No	Details of the Property	Actual Use	Owned/Leased/ License/Rented	Licensor/ Lessor/ Vendor/Landlord	Consideration/ Lease Rental/ License Fees
1.	Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar (Jaipur), Jaipur, Rajasthan, India, 302019	Registered Office	Rented	Shubh Colonizers Pvt. Ltd through Kailash Chand Agarwal, Director of the company.	Vide a Rent Agreement dated March 13, 2024 for a period of 11 Months, From February 01, 2024 at office rent of Rs. 25,000/- p.m.
2.	Khasra No. 33/1, Gram Pahadi, Tehsil Niwai, Jila Tonk, Rajasthan-304021	Factory use	Rented	Sarita Agarwal	Vide a Rent Agreement dated March 13, 2024 for a period of 11 Months, starting from April 1 st 2024 at monthly rent of Rs 1,22,222/-.
3.	2 nd Floor of CLC Tower, Plot No. 146 , Sector 44, Gurugram	Business use	Rented	M/s CLC Services, a partnership firm through its Authorised Signatory Sunil Kumar.	Vide a Membership Services Agreement dated June 01, 2023 for a period of 11 Months, From June 01 2023 at montly rent of Rs. 30,000/- p.m. plus GST.
4.	Plot No. 420, 3rd Floor, Office No. 301, Ram Sati Nagar, Near 200ft	Guest House	Rented	Sarita Agarwal W/o Kailashchand Agarwal	Company has taken the said property from Landlord on rent for the

	Byepass, Jaipur 302019.				period of 11 months starting from November 18, 2023 at monthly rent of Rs 9,000/-
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## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Approvals” on page 193 of this Draft Red Herring Prospectus.*

**This chapter has been classified as under:**

- A. Core Business Laws**
- B. Corporate and Commercial laws**
- C. Industrial, Labour and Employment Laws**
- D. Environmental Laws**
- E. Tax Laws**
- F. Foreign Regulations**
- G. Intellectual Property Laws**

### **A. CORE BUSINESS LAWS**

#### **Biomass Programme**

#### **Scheme to support manufacturing of Briquettes and Pellets and promotion of Biomass (non-bagasse) based cogeneration in Industries**

The objective of the Biomass Programme is to support setting up of Biomass Briquette/Pellet manufacturing plants and to support Biomass (non-bagasse) based cogeneration projects in Industries in the country. This scheme is available to the industry for the period from FY 2021-22 to FY 2025-26

#### **Salient Features of the Programme**

- The programme provides Central Financial Assistance (CFA) to project developers and service charges to implementing agency and inspection agencies in respect of setting up of Briquette / Pellet manufacturing plants and Biomass (non- bagasse) cogeneration projects in industries.
- Financial assistance available under the programme is as follows:
  1. Briquette/ Pellet Manufacturing plants: Rs. 9 Lakh per MTPH (metric ton/hour) manufacturing capacity (maximum CFA of Rs 45 Lakhs per plant)
  2. Biomass (Non-bagasse ) cogeneration projects: Rs. 40 Lakhs/MW (on Installed Capacity) (maximum CFA of Rs. 5 Crores per project)
- Applications to be accepted through online portal only.
- Under this programme, self-funded projects will also be eligible for Central Financial Assistance.
- SCADA System/remote monitoring system has been mandated for Biomass projects.
- Plants installed with new equipment/machinery only shall be eligible for CFA under this programme.
- The performance inspection agencies for Biomass projects are:
  1. For Briquette/Pellet Manufacturing Plants:
    - a) Concerned State Nodal Agencies for Renewable Energy (SNAs); or
    - b) Sardar Swaran Singh National Institute of Bio-Energy (SSS-NIBE)

2. For Biomass (non-bagasse) cogeneration projects: Concerned State Nodal Agency (SNA) and Sardar Swaran Singh National Institute of Bio Energy (SSS-NIBE).

### **National Mission on use of Biomass in coal based thermal power plants**

The Biomass policy was issued in year 2017 mandating use of biomass fuels for power generation through co-firing in pulverized coal fire boilers. Later in October 2021, the Ministry of Power, Government of India, in order to further promote the use of biomass pellets mandated use of 5-10% blend of biomass pellets made, primarily of agro residue along with coal in thermal power plants.

As per Press Release dated June 27, 2023, Ministry of Power (MoP) has decided to benchmark the prices of biomass pellets used for co-firing in Thermal Power Plants (TPPs). The decision comes in view of evolving market conditions for biomass pellets and requests received from stakeholders including thermal power plants, pellet manufactures, farmers, bankers etc.

The benchmarked price shall take into account the business viability, impact on electricity tariff and efficient & faster pellet procurement by power utilities. Price Benchmarking of pellets will enable the TPPs as well as Pellet Vendors to establish a sustainable supply mechanism for co-firing of pellets. The benchmarked price, as finalised by the committee under CEA, will be effective from 1st January, 2024.

Till the time the recommendations of the committee are implemented, the power utilities shall go for short term tenders for meeting the immediate requirement of biomass pellets for their TPPs.

## **B. CORPORATE AND COMMERCIAL LAWS**

### **Companies Act, 2013**

Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays 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.

### **Indian Contract Act, 1872**

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

### **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Indian Stamp Act, 1899 (the “Stamp Act”)**

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under

the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

#### **The Arbitration and Conciliation Act, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

#### **The Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code, 2016 (the “code”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

#### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonor of cheques a criminal offence if the cheque is dishonored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

#### **The Consumer Protection Act, 2019**

The Consumer Protection Act provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers’ disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up under the Act.

### **C. INDUSTRIAL LAWS, LABOUR AND EMPLOYMENT LAWS**

#### **Industrial (Development and Regulation) Act, 1951**

This Act has been liberalized under the New Industrial Policy dated July 24<sup>th</sup>, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum (“IEM”) with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

#### **The Factories Act, 1948 (“Factories Act”)**

The term ‘factory’, as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the “occupier” of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the

factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

### **Rajasthan Factories Rules, 1951**

The Rajasthan Factories Rules, 1951 extend to the whole State of Rajasthan including the Abu, Ajmer and Sunel Area.

### **The Factories (Rajasthan Amendment) Act, 2014**

The Factories (Rajasthan Amendment) Act, 2014 received the assent of the President on the 30<sup>th</sup> October, 2014 to amend the Factories Act, 1948 in its Application to the State of Rajasthan. It shall extend to the whole of the State of Rajasthan.

### **Indian Boilers Act, 1923**

The Indian Boilers Act, 1923 was enacted with the objective of ensuring the safety of public life and property by administering and enforcing the provisions of the Act with respect to steam boilers. As per the provisions of the Act, the Chief Inspector of Boilers or an Inspector appointed under the Act periodically reviews the administration of the regulations by (a) Approval of manufacturers, (b) Inspection of designs relating to boilers and inspection of boilers / boiler components manufacture, (c) approval of boiler repairers and boiler erectors, (d) authorization and inspection of boiler repairs and (e) certification of boiler operating engineers, boiler operators and welders.

### **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 ("Industrial Disputes Act") provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

### **The Micro, Small and Medium Enterprises Development Act, 2006**

The Act provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, (ii) a small enterprise, or (iii) a medium enterprise, as per criteria mentioned in the said Act. The MSMED Act inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### **The Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("EPF Act") and the schemes formulated there under ("schemes")**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to

contribute to the funds mentioned above, in the manner specified in the statute. 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.

### **The Employees State Insurance Act, 1948**

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department. The Employees' State Insurance Rules, 1950 ensure implementation of the provisions of the Employees' State Insurance Act, 1948.

### **The other labour laws applicable to the Company are:**

- Minimum Wages Act, 1948
- Payment Of Wages Act, 1936
- Employees' Compensation Act, 1923
- Payment Of Gratuity Act, 1972
- Payment Of Bonus Act, 1965
- Industrial Disputes Act, 1947
- The Maternity Benefit Act, 1961
- The Equal Remuneration Act, 1976 And Equal Remuneration Rules, 1976
- The Child and Adolescent Labour (Prohibition And Regulation) Act, 1986
- Apprentices Act, 1961

**The Government of India has consolidated 29 central Labour laws into four Codes namely Code of Wages 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020. All these codes have received the assent of President of India but none of them has been made effective till date. Brief descriptions of each of the codes are given below.**

### **Code of Wages, 2019**

The Code aims to consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. It received the assent of President of India on August 08, 2019. The Code contains procedure for fixing minimum wage, limit for fines and deductions in wages, minimum and maximum bonus, calculation of allocable and available surplus, as well as gender neutral consideration in fixing wages. The Code has given the power to Central Government to fix a "floor wage" and the State governments cannot fix any minimum wage less than the "floor wage". It amalgamates and subsumes four imperative labour laws - the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The date of implementation of the Code is yet to be notified.

### **The Code on Social Security, 2020**

This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. The Code aims to provide better social security benefits such as provident fund, insurance and gratuity to workers. It extends the reach of the Employees' State Insurance Corporation and the Employees' Provident Fund Organization (which regulate benefits such as provident fund, insurance, pension, etc.) to the workers in the unorganized sector and the platform and gig workers. The Code further stipulates gratuity benefit for fixed term employees without any condition for minimum service period as envisaged under the current regime. The Code subsumes nine (9) labour laws relating to social security, namely, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine-Workers Welfare Fund Act, 1981, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers Social Security Act, 2008.

### **The Industrial Relations Code, 2020**

This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. The Code aims to streamline the laws regulating industrial disputes and trade unions in India. For the benefit of the employers, the Code has introduced various aspects such as increasing the threshold of workers to three hundred (300) for obtaining the consent of the concerned government in case of lay off, retrenchment or closure of the establishment, notice of change not required to be given subject to the conditions stipulated in the Code, increasing the wage threshold to INR 18,000 (Indian Rupees Eighteen Thousand) for exclusion from the definition of worker, etc. The Industrial Relations Code also introduces the concept of deemed certification of standing orders. The Code subsumes three labour laws relating to industrial relations, namely, the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947

### **Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code) is one of three new labor codes that will consolidate the bulk of labor legislation in India and streamline labor compliance besides expanding the social security net for workers. This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. Rules to implement the Code are expected to be finalized in the next few weeks.

New establishments covered by the OSH Code must register themselves (within 60 days of commencement of the Code) with registering officers appointed by the appropriate government. Establishments already registered under any other federal law will not be required to register again.

Every employer is directed to undertake the following obligations by the OSH Code:

- Ensure that the workplace is free from hazards can cause injury or occupational disease to the employees and comply with the OSH Code and the government's directions on the same;
- Provide free annual health examination or testing, free of cost, to certain classes of employees;
- Provide and maintain, as reasonably practical, a working environment that is safe and without risk to the health of the employees;
- Issue letters of appointments to employees; and
- Ensure that no charge is levied on any employee for maintenance of safety and health at workplace, including the conduct of medical examination and investigation for the purpose of detecting occupational diseases.

Further, the Code directs employers with respect to factories, mines, dock work, building and other construction work, or plantations to ensure: (i) safety arrangements in the workplace and absence of risk to health in connection with the use, storage, and transport of articles and substances; (ii) provision of such information, instruction, training, and supervision as are necessary to ensure the health and safety of all employees at work, etc. This Code shall subsume more than 10 labour laws including Factories Act 1948, Contract Labour Act 1970 and Mines Act 1952.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

### **The Rajasthan Shops and Commercial Establishments Act, 1958**

The Rajasthan Shops and Commercial Establishments Act, 1958 received the assent of the President on 24<sup>th</sup> July, 1958. It is an Act to consolidate and amend the law relating to the regulation of conditions of work and employment in shops and commercial establishments whereas it is expedient to consolidate and amend the law relating to the regulation of conditions of work and employment in shops and commercial establishments in the State of Rajasthan.

### **The Rajasthan Shops and Commercial Establishment Rules, 1959**

The Rajasthan Shops and Commercial Establishment Rules, 1959 came into force on June 01, 1959 and extend to the whole of Rajasthan. The said Rules were amended by the Rajasthan Shops and Commercial Establishment (Amendment) Rules, 2019.

### **The Haryana Shops & Commercial Establishments Act and Rules.**

The Haryana Shops & Commercial Establishments Act, and Rules, is applicable to all the shops and commercial establishments in the areas notified by Government of Haryana. The State of Haryana is following the Punjab Shops & Commercial Establishments Act of 1958.

## **D. ENVIRONMENTAL LAWS**

### **Environment Protection Act, 1986**

The Environmental Protection Act, 1986 is an “umbrella” legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with “environment” defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

### **Water (Prevention and Control of Pollution) Act, 1974, as amended**

The Water (Prevention and Control of Pollution) Act, 1974 prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

### **The Water (Prevention and Control of Pollution) Cess Act, 1977**

Provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

### **The Air (Prevention and Control of Pollution) Act, 1981**

The Air (Prevention and Control of Pollution) Act, 1981 requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the Central Pollution Control Board in April 1994.

### **Solid Waste Management Rules 2016**

These rules shall apply to every urban local body, outgrowths in urban agglomerations, census towns as declared by the Registrar General and Census Commissioner of India, notified areas, notified industrial townships, areas under the control of Indian Railways, airports, airbases, Ports and harbours, defence establishments, special economic zones, State and Central government organizations, places of pilgrims, religious and historical importance as may be notified by respective State government from time to time and to every domestic, institutional, commercial and any other non-residential solid waste generator situated in the areas except industrial waste, hazardous waste, hazardous chemicals,

bio medical wastes, e-waste, lead acid batteries and radio-active waste, that are covered under separate rules framed under the Environment (Protection) Act, 1986

## **E. TAX LAWS**

### **Income Tax Act, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

### **Goods and Services Tax**

**The Central Goods and Services Tax Act, 2017** received assent of the President on 12<sup>th</sup> April 2017 and came into force from 1<sup>st</sup> July 2017. Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India such as Service tax, Central Excise Act, Entry Tax, Octroi, Additional customs duty and other draconian indirect taxes. There are 3 taxes applicable under this system- CGST, SGST, IGST.

**CGST:** is collected by the Central Government on an intra-state sale;

**SGST:** Collected by the State Government on an intra-state sale;

**IGST:** Collected by the Central Government for inter-state sale.

Therefore, in addition to the CGST Act, the company has to comply with the requirements of State GST laws as well in which it has operations.

**Following laws which have been subsumed in GST Act were applicable to the Company till 30th June 2017 and shall remain applicable here after as stated in the GST Act.**

### **Central Excise Act, 1944 and Excise Regulations**

The Central Excise Act, 1944 sought to impose an excise duty on excisable goods which are produced or manufactured in India. Excise duty was levied on production of goods but the Liability of excise duty arose only on removal of goods from the place of storage, i.e., factory or warehouse.

### **Central Sales Tax Act, 1956**

Central Sales Tax ("CST") was levied in accordance with the Central Sales Tax Act, 1956 on movable goods sold in the course of inter-state trade or commerce. CST was payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate.

### **State laws governing Entry Tax**

Entry Tax provides for the levy and collection of tax on the entry of goods into the local areas of the state for consumption, use or sale therein and matters incidental thereto and connected therewith. It was levied at such rate as may be specified by the State Government and different rates may be specified for different goods.

### **Service Tax, (the 'Finance Act, 1994')**

Service tax was charged on taxable services as defined in Chapter V of Finance Act, 1994, which required a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government.

There are other indirect taxes which are now subsumed under GST and these are Additional Duties of Excise, Cess,

Purchase Tax, Taxes on advertisements.

### **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).

## **F. FOREIGN REGULATIONS**

### **The Foreign Trade (Development & Regulation) Act, 1992**

The Foreign Trade (Development & Regulation) Act, 1992 [herein after FTA], provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

### **Foreign Exchange Management Act, 1999 (“the FEMA”) and Rules and Regulations thereunder**

FEMA is an Act to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India. It gives powers to the Central Government to regulate the flow of payments to and from a person situated outside the country. It defines the procedures, formalities, dealings of all foreign exchange transactions in India.

Export of goods and services outside India is also governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 issued by the RBI on January 12, 2016 [last amended on September 10, 2021]. The RBI has also issued a Master Circular on Export of Goods and Services.

## **G. INTELLECTUAL PROPERTY LAWS**

### **The Trademarks Act, 1999 (“Trademarks Act”)**

Under the 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. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## HISTORY AND CORPORATE STRUCTURE

### **Brief history of our Company:**

Our Company was incorporated as ‘Shubhshree Bricks Private Limited’ under the Companies Act, 1956, pursuant to a certificate of incorporation dated April 23, 2013, issued by the RoC, Rajasthan, Jaipur having CIN as U26933RJ2013PTC042232. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on October 9, 2023 the name of our Company was changed from “Shubhshree Bricks Private Limited” to “Shubhshree Biofuels Energy Private Limited” and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Rajasthan, Jaipur dated October 30, 2023. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed by the shareholders of our Company on January 18, 2024 and the name of the Company was changed from “Shubhshree Biofuels Energy Private Limited” to “Shubhshree Biofuels Energy Limited” vide fresh certificate of incorporation dated February 1, 2024 issued by the Registrar of Companies, Rajasthan, Jaipur. The Corporate identification number of our Company is U38210RJ2013PLC042232.

Anurag Agarwal, Mohini Jain & Saket Dalmia were the initial subscribers to the Memorandum of Association of our Company.

### **Address of Registered Office and other offices**

<b>Registered Office</b>	Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar (Jaipur), Jaipur, Rajasthan, India, 302019.
<b>Plant Address</b>	Khasra No 33/1, Village Pahadi , Teh. Niwai , district Tonk Rajasthan -304021

### **Change in Registered office of the Company**

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Draft Red Herring Prospectus:

<b>Effective Date</b>	<b>From</b>	<b>To</b>	<b>Reason for Change</b>
September 01, 2023	A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur, Rajasthan-302019, India.	Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg, Nirman Nagar, Shyam Nagar (Jaipur), Jaipur, Rajasthan, India, 302019	To increase Operational Efficiency

### **Main Objects of Memorandum of Association:**

The main objects of our Company as contained in our Clause III (A) of Memorandum of Association of our Company are as follows:

1. To carry on in India or elsewhere the business of producers, refiners, processors, manufacturers, formulators, buyers, sellers, distributors, suppliers, Importers, exporters, traders, agents, managers or otherwise of all type of Folic waste or Agri waste for producing different type of renewable energy and power of all kind, whether in liquid, solid or gaseous form.
2. To carry on In India or elsewhere the business of producers, refiners, processors, manufacturers, formulators, buyers, sellers, distributors, importers, exporters, traders, agents, managers and suppliers of all type of Agro based products like Murtad husk loose, rice husk, Paddy straw, saw dust, groundnut shell, Soya husk, Sugar plant waste. Coal, Paper waste, Plastic waste and the bye-products thereof or which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing any of the foregoing with other substances and any / or all kinds, types, purposes, grades, forms and formulations of Folk waste / Agro waste to put to commercial use and otherwise deal in any manner in all or any of them and their allied products and materials and for this purpose to establish,

erect, purchase, acquire, own, design, engineer, fabricate, build, alter, improve, operate, manage, maintain, repair, sell plants, equipment, facilities and outlets for the production, refining, processing, storage, supply, transportation and distribution of all types of Agro based products, including those referred to hereinabove and derivatives thereof, whether in liquid, solid or gaseous form.

3. To provide consultancy services in all or any of the aforesaid activities including the field of identification of Folic waste or Agri waste as source of renewable energy and generation and distribution of renewable energy and it's better use in conserving the environment.
4. To carry on in India or elsewhere the business to manufacture, produce, erect, refine, process, formulate, buy, sell, Import, export or otherwise and to deal in all type of Bio CNG plants, biomass manufacturing machineries in various size Briquettes and Pellets and machineries relating to harvesting the agriculture produces and all type of their spare parts and accessories.

**Amendments to the Memorandum of Association:**

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendments
October 9, 2023	EGM	Name of the Company has been changed from “Shubhshree Bricks Private Limited ” to “Shubhshree Biofuels Energy Private Limited ” vide a Fresh Certificate of Incorporation dated October 30, 2023 was issued by the Registrar of Companies Jaipur , Rajasthan.
October 9, 2023	EGM	<p>Alteration in the Object Clause of the Company by deleting existing sub clause (1) of clause III (A) and by inserting the following as sub clause (1) to (4) in the Main Object Clause III (A) of the Memorandum of Association of the Company.</p> <ol style="list-style-type: none"> <li>1. <i>To carry on in India or elsewhere the business of producers, refiners, processors, manufacturers, formulators, buyers, sellers, distributors, suppliers, Importers, exporters, traders, agents, managers or otherwise of all type of Folic waste or Agri waste for producing different type of renewable energy and power of all kind, whether in liquid, solid or gaseous form.</i></li> <li>2. <i>To carry on In India or elsewhere the business of producers, refiners, processors, manufacturers, formulators, buyers, sellers, distributors, importers, exporters, traders, agents, managers and suppliers of all type of Agro based products like Murtad husk loose, rice husk, Paddy straw, saw dust, groundnut shell, Soya husk, Sugar plant waste. Coal, Paper waste, Plastic waste and the bye-products thereof or which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing any of the foregoing with other substances and any / or all kinds, types, purposes, grades, forms and formulations of Folk waste / Agro waste to put to commercial use and otherwise deal in any manner in all or any of them and their allied products and materials and for this purpose to establish, erect, purchase, acquire, own, design, engineer, fabricate, build, alter, improve, operate, manage, maintain, repair, sell plants, equipment, facilities and outlets for the production, refining, processing, storage, supply, transportation and distribution of all types of Agro based products, including those referred to hereinabove and derivatives thereof, whether in liquid, solid or gaseous form.</i></li> <li>3. <i>To provide consultancy services in all or any of the aforesaid activities including the field of identification of Folic waste or Agri waste as source of renewable energy and generation and distribution of renewable energy and it's better use in conserving the environment.</i></li> <li>4. <i>To carry on in India or elsewhere the business to manufacture, produce, erect, refine, process, formulate, buy, sell, Import, export or otherwise and to deal in all type of Bio CNG plants, biomass manufacturing machineries in various size Briquettes and Pellets and machineries relating to harvesting the agriculture</i></li> </ol>

		<i>produces and all type of their spare parts and accessories.</i>
October 9, 2023	EGM	Increase in Authorized Share capital From Rs. 1,00,000/- (Rupees One Lakh only) divided into 10,000 (Ten Thousand) equity shares of Rs. 10 each to Rs. 5,00,00,000/-(Rupees Five Crore only) Divided into 50,00,000 (Fifty Lakh) equity shares of Rs. 10 each .
February 16, 2024	EGM	Increase in Authorized Share capital From Rs. 5,00,00,000/-(Rupees Five Crore only) Divided into 50,00,000 (Fifty Lakh) equity shares of Rs. 10 each to Rs. 7,00,00,000/-(Rupees Seven Crore only) Divided into 70,00,000 (Seventy Lakh) equity shares of Rs. 10 each.

**Adopting new Articles of Association of the Company:**

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013 in the Extra Ordinary General Meeting of the Company dated March 16, 2024.

**Major events and milestones of our Company:**

The table below sets forth some of the major events in the history of our company:

<b>Year/F.Y.</b>	<b>Key Events / Milestone / Achievements</b>
2013	Incorporation of the Company in the name of the “Shubhshree Bricks Private Limited”.
2021	Started the business of selling Biomass pellets and briquettes
2023	Crossed Revenue of Rs. 50 crore.
2024	Change in name of Company from Shubhshree Bricks Private Limited to Shubhshree Biofuels Energy Private Limited
2024	Company has purchased machinery on September 27, 2023 and started manufacturing from October, 2023 Onwards.
2024	Conversion of Company from Private Limited “Shubhshree Biofuels Energy Private Limited “ to Public Limited “Shubhshree Biofuels Energy Limited”.

**Other details about our Company:**

For details of our Company’s activities, products, growth, awards & recognitions, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled “Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis for Issue Price” on pages 96, 178 and 79 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “Our Management” and “Capital Structure” beginning on page 120 and 58 of the Draft Red Herring Prospectus respectively.

**Capital Raising (Debt / Equity):**

For details in relation to our capital raising activities through equity, please refer to the chapter titled “**Capital Structure**” beginning on page 58 of the Draft Red Herring Prospectus. For details of our Company’s debt facilities, see “**Statement of Financial Indebtedness**” on page 176 of the Draft Red Herring Prospectus.

**Changes in activities of our Company during the last five (5) Years:**

Initially company was engaged into the business of manufacturing of Fly ash Bricks. Then Company have moved to supplying of Biomass Pellets and briquettes from Financial Year 2021-22. Later, company has also started Manufacturing Biomass Pellets and Briquettes.

**Our Holding Company:**

As on the date of the Draft Red Herring Prospectus, our Company is not a subsidiary of any company.

**Our Subsidiaries, Associates, and Joint Ventures**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate, subsidiaries or joint ventures.

**Shareholders Agreements:**

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

**Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.**

Except as disclosed in this Draft Red Herring Prospectus, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus.

**Number of Shareholders of our Company:**

Our Company has 7 (Seven) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "*Capital Structure*" beginning on page 58 of the Draft Red Herring Prospectus.

**Changes in the Management:**

For details of change in Management, please see chapter titled "*Our Management*" on page 120 of the Draft Red Herring Prospectus.

**Injunction or Restraining Order:**

Except as disclosed in the section titled "*Outstanding Litigation and Material Developments*" beginning on page 190 of this Draft Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

**Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**Other Agreements:**

**i. Non-Compete Agreement:**

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

**ii. Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

**Collaboration Agreements:**

As on date of this Draft Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

**Material Agreement:**

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

**Material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc., in the last ten years**

There have been no material acquisitions or divestments of business/undertakings, mergers, amalgamation, and any revaluation of assets in the last ten years from the date of the Draft Red Herring Prospectus.

**Significant Strategic or Financial Partners:**

Our Company does not have any strategic or financial partners as on the date of this Draft Red Herring Prospectus.

**Time and Cost Overruns in Setting up Projects:**

There has been no time / cost overrun in setting up projects by our Company.

**Defaults or Rescheduling of Borrowings with Financial Institutions/Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Red Herring Prospectus.

**OUR MANAGEMENT**

**Board of Directors:**

As on the date of this Draft Red Herring Prospectus, our Board comprises of six Directors including two Executive Directors, two Non-Executive Director and two Independent Directors, two of whom are woman director.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

<b>Name, Father's Name, Age, Date of Birth, Designation, Address, Experience, Occupation, Qualification, Nationality &amp; DIN</b>	<b>Date &amp; term of Appointment</b>	<b>No. of Equity Shares held &amp; % of Shareholding (Pre Issue)</b>	<b>Other Directorships</b>
<p><b>Sagar Agrawal</b>  <b>Father's Name:</b> Kailash Chand Agrawal.  <b>Age:</b> 33 years  <b>Date of Birth:</b> April 14, 1990  <b>Designation:</b> Chairman &amp; Managing Director  <b>Address:</b> A-117, Manu Path, Shiv Marg, Shyam Nagar, Jaipur, 302019, India.  <b>Experience:</b> 10 years  <b>Occupation:</b> Business  <b>Qualification:</b> Bachelor of Commerce  <b>Nationality:</b> Indian  <b>DIN:</b> 03209247</p>	<p>Originally Appointed as Director on October 31, 2023.</p> <p>Further, Resigned from the Directorship w.e.f. March 14, 2024</p> <p>Further, Appointed as Chairman &amp; Managing Director w.e.f. March 16, 2024 for a period of 3 Year</p>	<p>12,82,750 Equity Share [33.32%]</p>	<p><b>Companies:</b> Nil</p> <p><b>LLP's:</b> Nil</p>
<p><b>Anurag Agarwal</b>  <b>Father's Name:</b> Kailash Chand Agarwal.  <b>Age:</b> 32 years  <b>Date of Birth:</b> December 16, 1991  <b>Designation:</b> Whole Time Director  <b>Address:</b> A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur, Rajasthan 302019, India.  <b>Experience:</b> 9 years  <b>Occupation:</b> Business  <b>Qualification:</b> Bachelor of Commerce  <b>Nationality:</b> Indian  <b>DIN:</b> 03062155</p>	<p>Originally Appointed on Incorporation of company i.e. April 23, 2013.</p> <p>Further, Change in Designation to Whole Time Director w.e.f. March 16, 2024 for a period of 3 Year.</p>	<p>5,42,500 Equity Share [ 14.09 %]</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Fab Blinds Private Limited</li> <li>2. Shubh Colonizers Private Limited</li> </ol> <p><b>LLP's:</b> Nil</p>
<p><b>Aastha Agarwal</b>  <b>Father's Name:</b> Anil Agarwal  <b>Age:</b> 33 years  <b>Date of Birth:</b> June 18, 1990  <b>Designation:</b> Non-Executive Director  <b>Address:</b> A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur, 302019, India.  <b>Experience:</b> 3 years  <b>Occupation:</b> Business</p>	<p>Originally Appointed as an Additional Director w.e.f. November 16, 2015.</p> <p>Further, Change in Designation from Non -Executive</p>	<p>5,42,500 Equity Share [ 14.09 %]</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Trioventure Media Private Limited.</li> </ol> <p><b>LLP's:</b> Nil</p>

Name, Father's Name, Age, Date of Birth, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre Issue)	Other Directorships
<b>Qualification:</b> Master in Business Administration. <b>Nationality:</b> Indian <b>DIN:</b> 07172285	Director to Director w.e.f. March 16, 2024.		
<b>Upasana Srivastava Dattani</b> <b>Father's Name:</b> Virendra Kumar <b>Age:</b> 35 years <b>Date of Birth:</b> April 19, 1988 <b>Designation:</b> Non-Executive Director <b>Address:</b> 116, Kailash Hills East of Kailash, Srinivaspuri, South Delhi, Delhi 110065, India. <b>Experience:</b> 15 years <b>Occupation:</b> Service <b>Qualification:</b> Master in Business Administration. <b>Nationality:</b> Indian <b>DIN:</b> 10371597	Originally Appointed as Director w.e.f. October 31, 2023.  Further, Resigned from the Directorship w.e.f. March 11, 2024.  Further, appointed as the Non-Executive Director w.e.f., March 13, 2024.	12,82,750 Equity Share [ 33.32%]	<b>Companies:</b> Nil  <b>LLP's:</b> Nil
<b>Rajesh Jain</b> <b>Father's Name:</b> Ramdhan Jain <b>Age:</b> 59 years <b>Date of Birth:</b> April 20, 1964 <b>Designation:</b> Independent Director <b>Address:</b> 310-311, Mahaveer Nagar, Durgapura Railway Station, Tonk Road, Jaipur, Rajasthan 302018, India. <b>Experience:</b> 10 years <b>Occupation:</b> Business <b>Qualification:</b> B.A. Part 2 <b>Nationality:</b> Indian <b>DIN:</b> 06735031	Originally Appointed as an Independent Director w.e.f. March 16, 2024 for a period of 5 years.  <i>(Not liable to retire by rotation)</i>	Nil	<b>Companies:</b> 1. Shivin Jadau Private Limited 2. Desert Marine Hotels Private Limited 3. BR Bhuvikas Private Limited  <b>LLP's:</b> Nil
<b>Vijay Kumar Jain</b> <b>Father's Name:</b> Kewal Chand Jain <b>Age:</b> 62 years <b>Date of Birth:</b> November 25, 1961 <b>Designation:</b> Independent Director <b>Address:</b> K-84, Kishan Nagar, Behind Dana Pani, Shyam Nagar, Jaipur, Rajasthan, 302019, India <b>Experience:</b> 15 years <b>Occupation:</b> Business <b>Qualification:</b> B.Com <b>Nationality:</b> Indian <b>DIN:</b> 02193271	Originally Appointed as an Independent Director w.e.f. March 16, 2024 for a period of 5 years.  <i>(Not liable to retire by rotation)</i>	Nil	<b>Companies:</b> 1. Silver Shine Jewellery Private Limited <b>LLP's:</b> 1. Shrey Dream Projects LLP

**Brief Profile of Directors:**

1. **Sagar Agrawal** is the Chairman & Managing Director of our Company. He is also one of the promoters of the company. He has been associated with the Company since October 31, 2023 . He has completed his Bachelor of Commerce in the year 2012 from the University of Rajasthan . He has a work experience of around 10 years in

the Biomass and Biofuels Industry. He primarily looks after the overall biomass manufacturing, Financial Management and resource allocation etc.

2. **Anurag Agarwal** is one of our Promoter, Whole Time Director of our Company. He has been associated with the Company since incorporation. He has completed his Bachelor of Commerce in the year 2012 from the Rajasthan University. He has a work experience of over 9 years out of which 6 year experience of bricks manufacturing and 2.5 Year experience of Biomass Manufacturing. He primarily looks after the overall biomass manufacturing
3. **Aastha Agarwal** is the Promoter and Non-Executive Director of our Company. She has completed her Post Graduate diploma in Management in the year 2014 from Jagan Institute of Management Studies, Delhi, India. She has over 3 years of experience in Digital Marketing Industry.
4. **Upasana Srivastava Dattani** is the Promoter and Non-Executive Director of our Company. She has completed her Master of Business Administration in the year 2011 from Indian School of Business & Economy, Delhi, India. She has more than 15 years of experience in as HR Leader with strategic and inventive thinking who transforms company objectives into human resource strategies that promote performance, profitability, growth.
5. **Rajesh Jain** is an Independent Director of our Company. He has completed his B.A. Part 2 He has an experience of around 14 years in the field of hotel operations, finance, marketing and guest services.
6. **Vijay Kumar Jain** is an Independent Director of our Company. He has completed his B.,Com. He has an experience of around 15 years in Biomass manufacturing and production, sales and distribution.

**Confirmations:**

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.
- b) Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- c) None of our Directors have been identified as a willful defaulter, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- d) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a ‘fugitive economic offender’ under Section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

**Nature of any family relationship between our directors**

The following Directors of the Company are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. Details of which are as follows:

<b>Sr. No.</b>	<b>Name of the Director/KMP</b>	<b>Relationship with other Directors/KMPs</b>
1.	Sagar Agrawal and Anurag Agarwal	Brother’s
2.	Sagar Agrawal and Aastha Agarwal	Spouse

**Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

**Service Contracts:**

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of their employment.

**Details of Borrowing Powers of Directors**

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on March 16, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 50,00,00,000 (Rupees Fifty Crores Only).

**Compensation of our Managing Director & Whole-Time Director**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

**Terms of Appointment of our Managing Director and Whole Time Director**

Particulars	Sagar Agrawal	Anurag Agarwal
Appointment/Change in Designation	Originally Appointed as Director w.e.f. October 31, 2023; designated as “Chairman & Managing Director” w.e.f., March 16, 2024	Originally Appointed as Director w.e.f. April 23, 2013; designated as “Whole Time Director” w.e.f. March 16, 2024
Current Designation	Chairman & Managing Director	Whole Time Director
Terms of Appointment	3 years Liable to retire by rotation	3 years Liable to retire by rotation
Remuneration & Perquisites	Upto Rs. 1,50,000 Per Month	Upto Rs. 50,000 Per Month
Compensation paid in the year 2022-23	Nil	Nil

**Bonus or Profit-Sharing Plan for our Directors:**

We have no bonus or profit-sharing plan for our directors.

**Contingent or deferred compensation payable to our directors.**

There is no contingent or deferred compensation payable to our directors.

**Sitting Fees:**

The Articles of Association of our Company provides for payment of sitting fees to Directors (other than Managing Director & Whole-time Directors), not exceeding Rs. 20000 to be fixed by Directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors have resolved in their meeting dated March 23, 2024 has approved payment of sitting fees to Non-Executive Director, including independent directors of the Company of Rs. 3,000/- (Rupees Three Thousand Only) each for attending the Board and Rs. 3,000/- (Rupees Three Thousand Only) each for attending Committees meeting of the Company subject to not exceeding Rs. 1,00,000/- to be fixed by the Board of Directors from time to time, for attending a meeting of the Board or a Committee thereof.

**Shareholding of our Directors as on the date of this Draft Red Herring Prospectus: -**

Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1	Sagar Agrawal	12,82,750	33.32%
2	Anurag Agarwal	5,42,500	14.09%
3	Aastha Agarwal	5,42,500	14.09%
4	Upasana Srivastava Dattani	12,82,750	33.32%
	<b>Total</b>	<b>36,50,500</b>	<b>94.82%</b>

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.*

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

**INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. Further our director may also be deemed interested to the extent of rent given by our Company for the property taken on leave and license. For further details, please refer to Chapter titled "**Our Management**" beginning on page 120 of this Draft Red Herring Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our directors are also interested to the extent of unsecured loans, if any, given by them to our Company. Further our directors are also interested to the extent of Personal Guarantee given by Directors towards Financial facilities of our Company. For further details, please refer to "**Financial Indebtedness**" on page 176 of this Draft Red Herring Prospectus.

Further, our directors may be deemed to be interested to the extent of the position held by them on the board of directors of Group Companies, or any consideration for services, managerial remuneration/ sitting fees received in accordance with the provisions of the applicable law. Also, our directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section "**Our Management**" or the section titled "**Financial information – Note 29 - Related**

**Party Disclosure**'' beginning on page 120 and 165 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

**Interest of Directors in the property of Our Company:**

Except as mentioned hereunder our directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

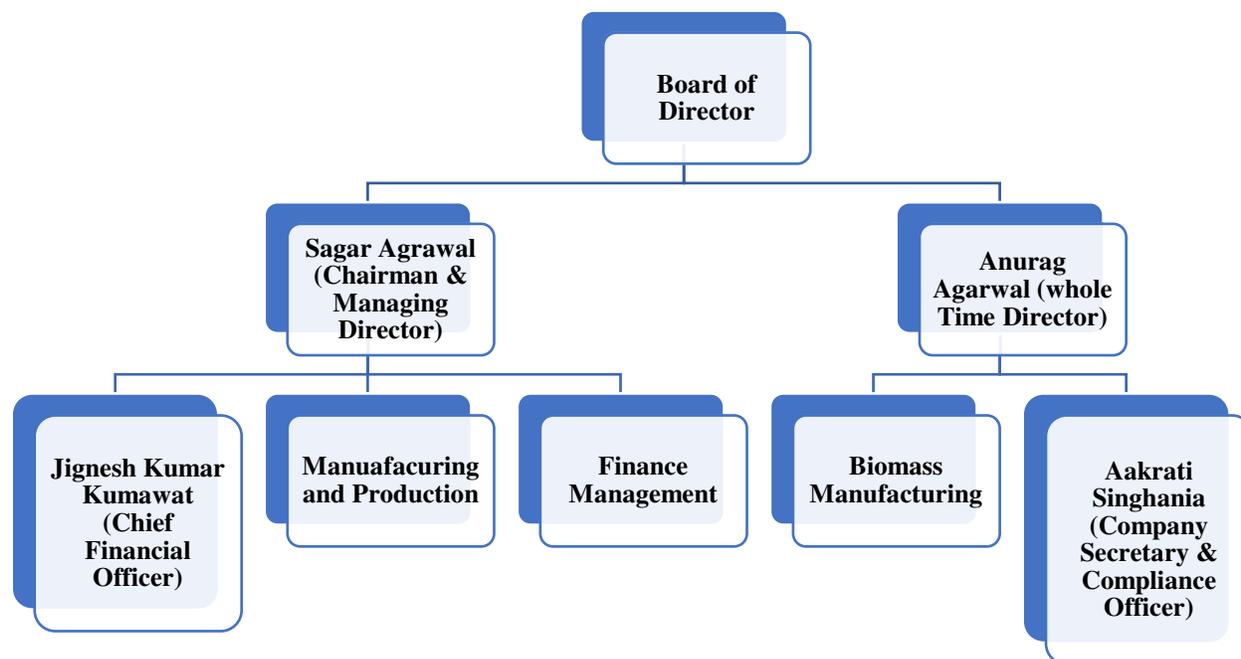
Sr. No	Location	Purpose	Natre of Interest
1	Plot No 8, Ganesh Vihar-B, Pandit TN Mishra Marg, Nirman Nagar, Jaipur, Jaipur, Rajasthan, 302019	Registered Office	Company has taken the said property from Shubh Colonizers Private Limited our group company on rent for the period of 11 months starting from February 1st 2024 at monthly rent of Rs. 25,000/-.
2	Khasra No. 33/1, Village Pahadi Teh. Niwai district Tonk, Rajasthan – 304021	Factory	Company has taken the said property from Sarita Agarwal W/o Kailashchand Agarwal on rent for the period of 11 months starting from April 1st 2024 at monthly rent of Rs 1,22,222/-.
3.	Plot No. 420, 3rd Floor, Office No. 301, Ram Sati Nagar, Near 200ft Bypass, Jaipur 302019.	Guest House	Company has taken the said property from Sarita Agarwal W/o Kailashchand Agarwal on rent for the period of 11 months starting from November 18, 2023 at monthly rent of Rs 9,000/-

**Changes in Board of Directors in Last 3 Years**

Sr. No.	Name of Directors	Date of Appointment / Re- appointment	Reasons for Change
1.	Mohini Jain	Cessation from the office of an Executive Director w.e.f. February 28, 2022	Due to personal reason
2.	Sagar Agrawal	Appointed as an Additional Director w.e.f. October 31, 2023.	To ensure better Corporate Governance and compliance with the Companies Act, 2013
3.	Upasana Srivastava Dattani	Appointed as an Additional Director w.e.f. October 31, 2023.	
4.	Sagar Agrawal	Resigned from the position of director w.e.f. March 14, 2024	
5.	Upasana Srivastava Dattani	Resigned from the position of director w.e.f. March 11, 2024	Due to personal reason
6.	Rajesh Jain.	Appointed as an Independent Director w.e.f. March 16, 2024 in the Extra-Ordinary General Meeting	To ensure better Corporate Governance and compliance with the Companies Act, 2013
7.	Vijay Kumar Jain.	Appointed as an Independent Director w.e.f. March 16, 2024 in the Extra-Ordinary General Meeting	
8.	Sagar Agrawal	Appointed as Chairman & Managing Director w.e.f. March 16, 2024 in the Extra-Ordinary General Meeting	
9.	Aastha Agarwal	Change in designation as Non-Executive Director w.e.f. March 16, 2024 in the Extra-Ordinary General Meeting.	
10.	Anurag Agarwal	Change in designation as Whole Time Director w.e.f. March 16, 2024 in the Extra-Ordinary General Meeting	

**Management Organization Structure**

The following chart depicts our Management Organization Structure: -



**COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on the SME Platform of National Stock Exchange of India Limited (NSE Emerge). The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committees as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices incorporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Six (6) directors of which Two (2) are Independent Directors, and we have Two (2) women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

**1. Audit Committee**

Our Company has formed an Audit Committee (“Audit Committee”), vide Board Resolution dated March 23, 2024, as perthe applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations andDisclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
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Rajesh Jain	Chairman	Independent Director
Vijay Kumar Jain	Member	Independent Director
Anurag Agarwal	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

- A. **Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.
- B. **Meetings of the Committee:** The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher.
- C. **Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

The Audit Committee shall have powers, including the following:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- e) to have full access to information contained in records of Company.

The role of the Audit Committee shall include the following:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference 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;
  - 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; and
  - g. Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) Reviewing, with the management, the statement of uses/ application of funds raised through an offer (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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions

- as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
  - 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
  - 11) Evaluation of internal financial controls and risk management systems;
    - a. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  - 12) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
  - 13) 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;
  - 14) Discussing with internal auditors on any significant findings and follow up thereon;
  - 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - 16) Discussing 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;
  - 17) Looking 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;
  - 18) Reviewing the functioning of the whistle blower mechanism;
  - 19) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
  - 20) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
  - 21) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
  - 22) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
  - 23) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, the Audit Committee shall mandatorily review the following information:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) internal audit reports relating to internal control weaknesses;
- 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## **2. Stakeholders Relationship Committee**

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178(5) and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated March 23, 2024. The constituted Stakeholders Relationship Committee comprises the following:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Vijay Kumar Jain	Chairman	Independent Director
Sagar Agrawal	Member	Chairman & Managing Director
Anurag Agarwal	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Scope and Term of Reference:** The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:
- 1) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
  - 2) Review of measures taken for effective exercise of voting rights by shareholders;
  - 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
  - 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
  - 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
  - 6) To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
  - 7) Ensure proper and timely attendance and redressal of investor queries and grievances;
  - 8) Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
  - 9) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
  - 10) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

### **3. Nomination and Remuneration Committee**

Our Company has formed the Nomination and Remuneration Committee pursuant to Section 178, Schedule V and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated March 23, 2024. The Nomination and Remuneration Committee comprise the following:

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Rajesh Jain	Chairman	Independent Director
Vijay Kumar Jain	Member	Independent Director
Aastha Agarwal	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- D. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- E. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- F. Score and Terms of Reference:**

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under

- 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) for the appointment of an independent director, the 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 of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  1. use the services of external agencies, if required;
  2. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  3. consider the time commitments of the candidates.
- 3) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  1. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  2. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 15) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

## **KEY MANAGERIAL PERSONNEL**

In addition to **Sagar Agrawal**, Chairman & Managing Director and **Anurag Agarwal**, Whole Time Director of our

Company, whose details are provided in “Brief profiles of our directors” on page 120, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

**Jitendra Kumar Kumawat** is the Chief Financial Officer of our Company. He has been associated with our Company since March 2022 and has been further re-designated as CFO w.e.f. March 16, 2024. He looks after the accounts and financial department. He was paid 3.60 lakhs as remuneration for Fiscal 2022-23.

**Aakrati Singhania** is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since March 23, 2024. In our Company, she handles secretarial and compliance functions. She is a member of the Institute of Company Secretaries of India since March, 2022 and she has completed her masters in Commerce, Part I in the year 2017 from the University of Rajasthan. She has two years of experience in legal and secretarial functions. Since she joined our Company in Fiscal 2024, she was not paid any remuneration for Fiscal 2022-23.

We confirm that:

- a) All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b) There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- c) In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended September 30, 2023.
- d) Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- e) Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- f) None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under: -

Sr. No.	Name of the KMPs	No. of Shares held
1	Sagar Agrawal	12,82,750
2	Anurag Agarwal	5,42,500
	<b>Total</b>	<b>18,25,250</b>

#### **Turnover of KMPs/ Attrition of Employees**

The turnover of KMPs/ attrition of employees is not high, compared to the industry to which our company belongs.

#### **Family relationship between KMPs**

None of our KMPs are related to each other except Sagar Agrawal & Anurag Agarwal are brothers.

#### **Payment of benefits to officers of Our Company (non-salary related)**

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

#### **Changes in the Key Managerial Personnel in last three years:**

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

<b>Sr. No</b>	<b>Name of Director</b>	<b>Designation and period</b>	<b>Appointment/Cessation/Redesignation</b>	<b>Reasons</b>
1.	Sagar Agrawal	Appointment as Chairman & Managing Director w.e.f. March 16, 2024 for a period of 3 years.	Appointment	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance.
2.	Anurag Agarwal	Change in designation as a Whole Time Director w.e.f. March 16, 2024 for a period of 3 years.	Redesignation	
3.	Jitendra Kumar Kumawat	Appointment as a Chief Financial Officer w.e.f. March 16, 2024.	Appointment	
4.	Aakrati Singhania	Appointment as Company Secretary and Compliance Officer w.e.f. March 23, 2024	Appointment	

### **Interest of Our Key Managerial Persons**

Apart from the shares held in the Company held by Sagar Agrawal and Anurag Agarwal to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "**Financial information – Note 29 - Related Party Disclosures**" beginning on page 165 of this Draft Red Herring Prospectus.

### **Interest of Directors in the property of our Company**

Except as disclosed in chapter titled "Our Management" beginning on page 120 of this Draft Red Herring Prospectus, our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of filing the Draft Red Herring Prospectus with ROC.

### **Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

### **Loans given/availed by Directors / Key Managerial Personnel of Our Company**

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "**Note 29 – Related Party Disclosure**" page 165 of this Draft Red Herring Prospectus.

### **ESOP/ESPS SCHEME TO EMPLOYEES**

Presently, we do not have any ESOP/ESPS Scheme for our employees.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters:

The Promoters of our Company are:

1. Sagar Agrawal
2. Anurag Agarwal
3. Aastha Agarwal
4. Upasna Srivastava Dattani.

As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 36,50,500 Equity shares of our Company, representing 94.82% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – Capital Buildup in respect of Shareholding of our Promoters*", on pages 58 of this Draft Red Herring Prospectus.

### Details of our Promoters:

	<p><b>Sagar Agrawal- Chairman &amp; Managing Director</b></p> <p>Sagar Agrawal, aged 33 years, is one of our Promoters and is also the Chairman &amp; Managing Director on our Board.</p> <p>Date of Birth –April 14, 1990</p> <p>Address – A-117, Manu Path, Shiv Marg, Shyam Nagar , Sodala , Jaipur 302019, Rajasthan.</p> <p>His permanent account number is AMEPA0444Q.</p> <p>For the complete profile along with his educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see "Our Management –Brief biographies of Directors" on page 120.</p> <p>For details of his shareholding, please see "<b>Capital Structure</b>" on page 58.</p>
	<p><b>Aastha Agarwal – Non-Executive Director</b></p> <p>Aastha Agarwal, aged 33 years, is one of our Promoters and is also the Non-Executive Director on our Board.</p> <p>Date of Birth –June 18, 1990</p> <p>Address – A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur 302019, Rajasthan</p> <p>Her permanent account number is BIKPA6738E.</p> <p>For the complete profile along with her educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see "Our Management –Brief biographies of Directors" on page 120.</p>

	<p>For details of his shareholding, please see "<b>Capital Structure</b>" on page 58.</p>
	<p><b>Anurag Agarwal – Whole Time Director</b></p> <p>Anurag Agarwal, aged 32 years, is one of our Promoters and is also the Whole Time Director on our Board.</p> <p>Date of Birth – December 16, 1991</p> <p>Address – A-117, Manu Path, Shiv Marg, Shyam Nagar, Sodala, Jaipur 302019, Rajasthan</p> <p>His permanent account number is AMFPA3771K.</p> <p>For the complete profile along with his educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see “Our Management –Brief biographies of Directors” on page 120.</p> <p>For details of his shareholding, please see "<b>Capital Structure</b>" on page 58.</p>
	<p><b>Upasna Srivastava Dattani – Non-Executive Director</b></p> <p>Upasana Srivastava Dattani, aged 35 years, is one of our Promoters and is also the Non-Executive Director on our Board.</p> <p>Date of Birth – April 19, 1988</p> <p>Address – 116, Kailash Hills, East Of Kailash, Srinivaspuri, South Delhi, Delhi - 110065</p> <p>Her permanent account number is ABKPU4511H.</p> <p>For the complete profile along with her educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see “Our Management –Brief biographies of Directors” on page 120.</p> <p>For details of his shareholding, please see "<b>Capital Structure</b>" on page 58.</p>

**Confirmations/Declarations:**

In relation to our Promoters, our Company confirms that the PAN, bank account numbers, passport numbers, Aadhaar card number and driving license number shall be submitted to Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

**Undertaking/ Confirmations**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- a) Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- b) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- c) No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- d) There are no defaults in respect of payment of interest and principal to the debenture/ bond/ fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.
- e) The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 190 of this Draft Red Herring Prospectus.
- f) None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### **Other ventures of our Promoters**

Other than as disclosed in “Promoter Group” and in “Our Management - Board of Directors” on pages 133 and 120, our Promoters are not involved in any other ventures.

### **Change in the control of our Company**

Anurag Agarwal and Aastha Agarwal were the original promoters of our company. Later, Sagar Agrawal and Upasana Srivastava Dattani have been allotted shares through right issue as on November 21, 2023 along with Original Promoters of Company. For more details please refer Chapter, Capital Structure on page 58 of DRHP.

### **Interest of our Promoters:**

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Anurag Agarwal, Aastha Agarwal, Sagar Agrawal and Upasana Srivastava Dattani collectively holds 36,50,500 Equity Shares in our Company i.e. 94.82% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to **Note 29 – “Related Party Transactions”** beginning on page 165 of this Draft Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see “**Capital Structure**” on page 58 of this Draft Red Herring Prospectus.

### **Interest in the property of Our Company:**

Except as mentioned below, our Promoters do not have any interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

<b>Sr. No</b>	<b>Location</b>	<b>Purpose</b>	<b>Natre of Interest</b>
1	Plot No 8, Ganesh Vihar-B, Pandit TN Mishra Marg, Nirman Nagar, Jaipur, Jaipur, Rajasthan, 302019	Registered Office	Company has taken the said property from Shubh Colonizers Private Limited our group company on rent for the period of 11 months starting from February 1st 2024 at monthly rent of Rs. 25,000/-.
2	Khasra No. 33/1, Village Pahadi	Factory	Company has taken the said property

	Teh. Niwai district Tonk, Rajasthan – 304021		from Sarita Agarwal W/o Kailashchand Agarwal on rent for the period of 11 months starting from April 1st 2024 at monthly rent of Rs 1,22,222/-.
3.	Plot No. 420, 3rd Floor, Office No. 301, Ram Sati Nagar, Near 200ft Bypass, Jaipur 302019.	Guest House	Company has taken the said property from Sarita Agarwal W/o Kailashchand Agarwal on rent for the period of 11 months starting from November 18, 2023 at monthly rent of Rs 9,000/-

***In transactions for acquisition of land, construction of building and supply of machinery***

None of our promoters or directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

***Other Interests in our Company***

*For transactions in respect of loans and other monetary transactions entered in past please refer Note 29 on “Related Party Disclosures” on page 165 forming part of “Restated Financial Statements” of this Draft Red Herring Prospectus.*

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to “*Financial Indebtedness*” and “*Restated Financial Statements*” on page 176 and 140 respectively of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to a firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a Director or Promoter, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company, in respect of a firm or a company in which our Promoters are interested as a member.

For the transactions with our Promoter Group entities please refer to section titled “*Note 29- Related Party Disclosures*” on page 165 of this Draft Red Herring Prospectus.

Except as stated in “*Note 29 - Related Party Disclosures*” beginning on page 165 of this DRHP, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

***Payment or Benefits to our Promoters and Promoter Group during the last 2 years:***

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph “*Compensation of our Managing Director*” in the chapter titled “*Our Management*” beginning on page 120 also refer Note 29 on “*Related Party Disclosures*” on page 165 forming part of “*Restated Financial Statements*” and the paragraph titled “*Interest of Promoters*” under the chapter titled “*Our Promoters and Promoter Group*” on page 133 of this Draft Red Herring Prospectus.

***Material Guarantees***

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus

***Companies/Firms with which our Promoters have disassociated in the last (3) three years***

Our Promoters have not disassociated themselves from any company, firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

***Other ventures of our Promoters***

Save and except as disclosed in this section titled “**Corporate Entities or Firms forming part of the Promoter Group**” under the chapter titled “**Our Promoters & Promoter Group**” and the chapter titled “**Our Management**”, beginning on page 133 and 120 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Experience of Promoters in the line of business**

Our Promoters, Sagar Agrawal has an experience of around 10 years and Anurag Agarwal has an experience of 2.5 years & Aastha Agarwal has an experience of 2.5 years in Biomass fuel industry.

**OUR PROMOTER GROUP:**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

**1. Natural Persons who are part of the Promoter Group**

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the PromoterGroup (due to their relationship with the Promoters) are as follows:

<b>Relationship with Promoters</b>	<b>Sagar Agrawal</b>	<b>Aastha Agarwal</b>	<b>Anurag Agarwal</b>	<b>Upasna Srivastava Dattani</b>
Father	Kailash Chand Agarwal	Anil Kumar Agarwal	Kailash Chand Agarwal	Virendra Kumar
Mother	Sarita Agarwal	Ranjana Agarwal	Sarita Agarwal	Sadhana
Spouse	Aastha Agarwal	Sagar Agrawal	Palak Agarwal	Vaibhav Dattani
Brother	Anurag Agarwal	Manav Agarwal	Anurag Agarwal	NA
Sister	NA	Apeksha Agarwal	NA	Akanksha Srivastava
Son	NA	NA	NA	NA
Daughter	NA	NA	NA	NA
Spouse’s Father	Anil Kumar Agarwal	Kailash Chand Agarwal	Anil Kumar Agarwal	Kishore Kumar Dattani
Spouse’s Mother	Ranjana Agarwal	Sarita Agarwal	Ranjana Agarwal	Rashmi Dattani
Spouse’s Brother	Manav Agarwal	Anurag Agarwal	Manav Agarwal	NA
Spouse’s Sister	Apeksha Agarwal	NA	Apeksha Agarwal	Rhea Dattani Arora

**2. Corporate Entities or Firms forming part of the Promoter Group**

As per Regulation 2(1) (pp) (iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

<b>S. No.</b>	<b>Nature of Relationship</b>	<b>Entities</b>
1.	Any Body Corporate in which 20% or more of the share capital is held by the Promoters or an immediate relative of the Promoters or a firm or HUF in which the Promoters or any one or more of his immediate relatives is a member	1. Fab Blinds Private Limited 2. Shubh Colonizers Private Limited 3. Trioventure Media Private Limited
2	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and	--

3	Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;	<b>HUF's</b> <ol style="list-style-type: none"><li>1. Anurag Agarwal HUF (Rajasthan Renewable Energy)</li><li>2. Sagar Agrawal HUF</li><li>3. Kailash Chand Agarwal HUF</li></ol> <b>Partnership Firms:</b> <ol style="list-style-type: none"><li>1. Sky Lifestyle Interio.</li><li>2. Salasar Industry.</li></ol>
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**DIVIDEND POLICY**

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our shareholders at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act together with the applicable rules issued thereunder. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial condition of our Company. Our Company has adopted a dividend distribution policy (“Dividend Policy”) pursuant to a resolution of the Board dated March 23, 2024. In terms of the Dividend Policy, the dividend pay-out, if any, shall be determined by the Board after taking into account a number of financial parameters, internal factors and external factors, including the distributable surplus available, our Company’s liquidity position and future cash flow needs, capital expenditure requirements, the pay-out ratios of comparable companies, the prevailing taxation policy and macro-economic conditions.

No dividends have been paid our Company on the Equity Shares since its incorporation.

There is no guarantee that any dividends will be declared or paid by our Company in the future. For details, see “Risk Factors” on page 25.

**SECTION-VI - FINANCIAL INFORMATION OF THE COMPANY**

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

To,  
The Board of Directors,  
Shubhshree Biofuels Energy Limited  
(Formerly known as Shubhshree Bricks Private Limited),  
A-117, Manu Path, Shiv Marg Shyam Nagar,  
Jaipur (Rajasthan) – 302019

Dear Sirs,

1. We have examined the attached Restated Financial Statements of **SHUBHSHREE BIOFUELS ENERGY LIMITED (Formerly known as Shubhshree Bricks Private Limited)**, comprising the Restated Statement of Assets and Liabilities as at September 30,2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period ended September 30,2023, and year ended March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on March 22, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus /Prospectus (“Offer Document”) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2020) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (Offer Document) to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Jaipur in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
3. We, **M/s Ravi Sharma & Co.**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and holds the peer review certificate dated 17<sup>th</sup> March,2022, valid till 31<sup>st</sup> March,2025.
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 17th November,2023 in connection with the proposed IPO of the Company;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial 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 period ended 30<sup>th</sup> September 2023, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 which has been approved by the Board of Directors.
6. For the purpose of our examination, we have relied on the Auditors' Report issued by the Previous Auditor M/s Shah Rajesh & Co. dated 25<sup>th</sup> August 2023 for the year ended as on 31<sup>st</sup> March 2023 and G.L. Dangayach & Co. dated 02<sup>nd</sup> September 2022, and 03<sup>rd</sup> November 2021, for the year ended March 31, 2022, and March 31<sup>st</sup>, 2021 respectively.
7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information have been prepared:
- a) after incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years/period ended September 30 2023, March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
- b) in accordance with the Act, ICDR Regulations and the Guidance Note.
2. We have also examined the following Notes to the Restated financial information of the Company set out in the Annexure V, prepared by the management and approved by the Board of Directors on March 22, 2024 for the years/period ended September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021.

**Annexure V - Notes to the Restated Summary Financial Information**

Restated Statement of Share Capital	Note-1
Restated Statement of Reserves and Surplus	Note-2
Restated Statement of Long-Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	Note-3, 3(A)
Restated Statement of long-term Provisions	Note-4
Restated Statement of Trade Payables	Note-5
Restated Statement of Current Tax Liabilities	Note-6
Restated Statement of Short-term Provisions	Note-7
Restated Statement of Other Current Liabilities	Note-8
Restated Statement of Property, Plant and Equipment and Intangible Assets	Note-9
Restated Statement of Deferred Tax Asset/Liability	Note-10
Restated Statement of Other Non-Current Assets	Note-11
Restated Statement of Current Investments	Note-12
Restated Statement of Trade Receivables	Note-13
Restated Statement of Cash & Cash Equivalents	Note-14
Restated Statement of Inventory	Note-15
Restated Statement of Other Current Assets	Note-16
Restated Statement of Revenue from Operations	Note-17
Restated Statement of Other Income	Note-18
Restated Statement of Cost of Material Consumed	Note-19
Restated Statement of Purchases of Stock in Trade	Note-20
Restated Statement of Change in Inventories	Note-21
Restated Statement of Employee Benefits Expenses	Note-22
Restated Statement of Finance Cost	Note-23

Restated Statement of Depreciation & Amortization	Note-24
Restated Statement of Other Expenses	Note-25
Restated Statement of Employee Benefits	Note-27
Restated Statement of Contingent Liabilities	Note-28
Restated Statement of Related Party Disclosure	Note-29
Restated Statement of Earnings Per Share (Eps)	Note-30
Restated Statement of Other Financial Ratio	Note-35
Capitalization Statement	Note-38

8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (Offer Document) to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Jaipur in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
12. In our opinion, the above financial information contained in Annexure I to Annexure V of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For M/s Ravi Sharma & Company**  
**Chartered Accountants**  
**FRN 015143C**

**(CA Sourabh Jain)**  
**Partner**  
**M. No. 431571**  
**Place: Jaipur**  
**Date: 22-03-2024**  
**UDIN: 24431571BKEZQC9159**

**ANNEXURE – I**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lacs)

Particular		As at the period/year ended			
		30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
1	<b>Shareholders' Funds</b>				
a	Share Capital	1	1.00	1.00	1.00
b	Reserves & Surplus	2	392.11	255.50	13.12
c	Share Application Money				
	<b>Total</b>		<b>393.11</b>	<b>256.50</b>	<b>14.12</b>
					<b>-13.35</b>
2	<b>Non-Current Liabilities</b>				
a	Long Term Borrowings	3	127.06	85.52	48.82
b	Deferred Tax Liabilities (Net)	10	0.27	0.97	0.29
c	Other Long Term Liabilities				
d	Long Term Provisions	4	0.32	0.15	0.00
	<b>Total</b>		<b>127.64</b>	<b>86.64</b>	<b>49.11</b>
					<b>50.12</b>
3	<b>Current Liabilities</b>				
a	Short Term Borrowings				
b	Trade Payables	5			
	Due to Micro and small enterprises		150.73	107.98	71.69
	Due to Others		89.77	58.37	28.58
c	Current Tax Liabilities	6	41.10	54.74	3.77
d	Short Term Provisions	7	0.00	0.00	0.00
e	Other Current Liabilities	8	57.54	28.89	18.35
	<b>Total</b>		<b>339.13</b>	<b>249.98</b>	<b>122.39</b>
	<b>Total</b>		<b>859.88</b>	<b>593.12</b>	<b>185.61</b>
					<b>47.67</b>
<b>B</b>	<b>ASSETS</b>				
1	<b>Non-Current Assets</b>				
a	Property, Plant and Equipment and Intangible Assets	9			
	i) Property, Plant and Equipment		76.95	55.07	16.15
	ii) Intangible Assets				
	iii) Capital Work in progress				
b	Non-Current Investment				
c	Deferred Tax Assets (Net)				
d	Long Term Loans and Advances				
e	Other Non-Current Assets	11	1.35	0.37	0.00
			<b>78.30</b>	<b>55.44</b>	<b>16.15</b>
					<b>15.02</b>
2	<b>Current Assets</b>				
a	Current Investment	12	27.93	0.00	0.00
b	Trade Receivables	13	378.21	336.40	123.92
c	Cash and Cash equivalents	14	144.96	120.12	35.11
d	Inventories	15	32.50	8.11	8.11
e	Short-Term Loans and Advances				
f	Other Current Assets	16	198.00	73.04	2.33
			<b>781.59</b>	<b>537.68</b>	<b>169.46</b>
	<b>Total</b>		<b>859.88</b>	<b>593.12</b>	<b>185.61</b>
					<b>47.67</b>

**ANNEXURE - II**  
**RESTATED STATEMENT OF PROFIT AND LOSS**

(Rs. in Lacs)

PARTICULARS		Note	For the period/year ended on			
			30-09-2023	31-03-2023	31-03-2022	31-03-2021
1	<b>Revenue From Operations</b>	<b>17</b>	4323.13	5861.60	791.82	18.49
2	<b>Other Income</b>	<b>18</b>	63.07	109.63	0.01	0.01
3	<b>Total Revenue (1+2)</b>		<b>4386.21</b>	<b>5971.24</b>	<b>791.83</b>	<b>18.50</b>
4	<b>Expenses</b>					
(a)	Cost of Material Consumed	<b>19</b>	0.00	0.00	0.00	0.00
(b)	Purchase of Stock in trade	<b>20</b>	3591.08	4811.73	668.84	11.87
(c)	Change of Inventories of Work in progress and finished goods	<b>21</b>	-8.40	0.00	4.70	0.00
(d)	Employee Benefit Expenses	<b>22</b>	34.60	46.39	11.46	4.56
(e)	Finance Costs	<b>23</b>	13.19	4.60	0.01	0.01
(f)	Depreciation and Amortisation Expenses	<b>24</b>	6.04	7.27	2.30	2.75
(g)	Other Expenses	<b>25</b>	566.09	777.20	72.61	0.98
5	<b>Total Expenses 4(a) to 4(g)</b>		4202.61	5647.19	759.91	20.17
6	<b>Profit/(Loss) Before Exceptional &amp; Extraordinary items &amp; Tax (3-5)</b>		183.59	324.05	31.92	-1.67
7	Exceptional item		0.00	0.00	0.00	0.00
8	<b>Profit/(Loss) Before Extraordinary items &amp; Tax (6-7)</b>		183.59	324.05	31.92	-1.67
9	Prior Period Items		-	-	-	-
10	Extraordinary items		-	-	-	-
11	<b>Profit/(Loss) Before Tax (8-9-10)</b>		<b>183.59</b>	<b>324.05</b>	<b>31.92</b>	<b>-1.67</b>
12	<b>Tax Expense:</b>					
(a)	Current Tax		<b>47.68</b>	<b>80.99</b>	<b>4.46</b>	<b>0.00</b>
(b)	Deferred Tax		-0.70	0.68	-0.01	0.30
	<b>Total</b>		<b>46.98</b>	<b>81.67</b>	<b>4.45</b>	<b>0.30</b>
13	<b>Profit/(Loss) for the Year</b>		<b>136.61</b>	<b>242.38</b>	<b>27.46</b>	<b>-1.97</b>
14	<b>Earnings per equity share of Rs.10 each</b>					
	(1) Basic (Rs.)		1366.09	2423.80	274.64	(19.66)
	(2) Diluted (Rs.)		1366.09	2423.80	274.64	(19.66)
	Weighted average number of shares outstanding		10000	10000	10000	10000
	<b>Adjusted Earnings per equity share of Rs.10 each (After Adjustment Of Right and Bonus Shares)</b>					
	(1) Basic (Rs.)		3.55	6.30	0.71	-0.05
	(2) Diluted (Rs.)		3.55	6.30	0.71	-0.05
	Weighted average number of shares outstanding		3850000	3850000	3850000	3850000

**ANNEXURE III**  
**RESTATED CASH FLOW STATEMENT**

(Rs. in Lacs)

Particular	For the year ended on			
	30/09/2023	31/03/2023	31-03-2022	31-03-2021
<b>A) Cash Flow From Operating Activities :</b>				
Net Profit before tax as per Statement of Profit & Loss	183.59	324.05	31.92	(1.67)
Adjustment for :				
Depreciation and amortization Expenses	6.04	7.27	2.30	2.75
Finance Cost	13.19	4.60	0.01	0.01
Interest Income	(1.69)	(0.65)	-	(0.01)
<b>Operating profit before working capital changes</b>	<b>201.13</b>	<b>335.26</b>	<b>34.22</b>	<b>1.08</b>
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Trade Receivables	(41.81)	(212.48)	(105.54)	(3.89)
(Increase)/Decrease in Inventory	(24.39)	0.00	4.70	-
(Increase)/Decrease in Other Current assets	(124.95)	(70.72)	(2.33)	
Increase/(Decrease) in Trade Payables	74.14	66.08	96.70	0.94
Increase/(Decrease) in Provisions	0.16	0.15	0.00	-
Increase/(Decrease) in Other Current Liabilities	28.65	10.54	10.83	4.47
<b>Cash generated from operations</b>	<b>112.93</b>	<b>128.84</b>	<b>38.59</b>	<b>2.60</b>
Less:- Income Taxes paid	61.32	30.02	0.51	0.03
<b>Net cash flow from operating activities</b>	<b>A</b>	<b>51.61</b>	<b>98.82</b>	<b>38.08</b>
<b>B) Cash Flow From Investing Activities :</b>				
Purchase of Property, Plant & Equipment	(27.92)	(46.19)	(3.43)	(2.34)
Other Non-Current Assets	(0.98)	(0.37)	-	-
Current Investments	(27.93)	-	-	-
Interest Income	1.69	0.65	-	0.01
<b>Net cash flow from investing activities</b>	<b>B</b>	<b>(55.13)</b>	<b>(45.91)</b>	<b>(2.33)</b>
<b>C) Cash Flow From Financing Activities :</b>				
Increase/(Decrease) in Long Term Borrowings	41.54	36.70	(1.00)	(3.70)
Finance Cost	(13.19)	(4.60)	(0.01)	(0.01)
<b>Net cash flow from financing activities</b>	<b>C</b>	<b>28.35</b>	<b>32.10</b>	<b>(1.01)</b>
<b>(A+B+C)</b>		<b>24.83</b>	<b>85.02</b>	<b>33.64</b>
Cash equivalents at the beginning of the year		120.12	35.11	4.93
<b>Cash equivalents at the end of the year</b>		<b>144.96</b>	<b>120.12</b>	<b>35.11</b>

Notes :-

(Rs. in Lacs)

	30-09-2022	31-03-2023	31-03-2022	31-03-2021
<b>1. Component of Cash and Cash equivalents</b>				
Cash on hand	8.07	4.58	4.86	0.18
Balance With banks	15.62	102.45	30.25	1.30
Fixed Deposits	121.27	13.10	0.00	0.00
<b>Total</b>	<b>144.96</b>	<b>120.12</b>	<b>35.11</b>	<b>1.47</b>

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

3. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.

## ANNEXURE IV

### **Significant Accounting Policies & Notes Forming Part of The Financial Statements:**

#### **A Company Overview**

Company was originally incorporated as a private limited company under the name and style of Shubhshree Bricks Private Limited now converted into a Public Company as Subhshree Biofuels Energy Limited at Jaipur, Rajasthan, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated 23rd April, 2013 issued by the Registrar of Companies, Jaipur, Rajasthan. We commenced commercial operations pursuant to a Certificate of Commencement of Business dated 23rd April, 2013 issued by the Registrar of Companies, Jaipur, Rajasthan. The Corporate Identification Number of our Company is U38210RJ2013PTC042232.

#### **B STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Statement of Assets and Liabilities of the Company as on September 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the year ended on September 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021 and the annexure thereto (collectively, the “Restated Financial Statements”) have been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s S.133 read with S.469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities.

##### **2. USE OF ESTIMATES**

The preparation of financial statements required the management to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

##### **3. PROPERTY, PLANT AND EQUIPMENTS**

- i) All Property, Plant & equipment are carried at cost. The cost comprises of acquisition cost and any attributable cost of bringing the asset to the condition for its intended use.
- ii) All Property, Plant & equipment are carried at cost. The cost comprises of acquisition cost and any attributable cost of bringing the asset to the condition for its intended use.
- iii) Carrying amount of cash generating units/assets are reviewed at balance sheet date to determine whether there is any impairment. If any such indication exists, the recoverable amount is estimated as the higher of net realizable price and value in use. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

#### **4. DEPRECIATION**

Depreciation on tangible assets is calculated on a SLM method using the rates arrived at, based on the useful lives as per Companies Act 2013.

#### **5. FOREIGN EXCHANGE TRANSACTIONS:**

- Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at year-end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.
- In respect of forward exchange contracts the difference between the forward rate and the exchange rate at the inception of the contract is recognized as income or expense over the period of the contract.
- Gains or losses on cancellation / settlement of forward exchange contracts are recognized as income or expense.

#### **6. BORROWING COSTS**

Borrowing Costs that are directly attributable to acquisition or construction of assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessary takes substantial period of the time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

#### **7. IMPAIRMENT OF ASSETS**

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, such assets are subject to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, loss is recognized.

#### **8. REVENUE RECOGNITION**

- Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Revenue from sale of goods is recognized when the significant risk and rewards are transferred as per the terms of sale. Revenues are recorded at invoice value.
- Income in respect of interest, insurance claims, export benefits, subsidy etc. is recognized to the extent the company is reasonably certain of its ultimate realization.

#### **9. INVENTORIES:**

- Raw materials, packing material, consumables are valued at lower of cost or net realizable value
- Work in process and finished goods are valued at lower of cost and net realizable value. Work-in process and finished goods include cost of raw material, labour, conversion costs and other costs incurred in bringing the inventories to their present location and condition.
- Cost of inventories is computed on a first in first out basis.

#### **10. EMPLOYEE BENEFITS**

##### **i. Short term Employee Benefits:**

All short-term employee benefit plans such as salaries, wages, bonus, leave encashment and medical benefits which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the profit & loss account.

##### **ii. Long term Employee benefits:**

The Company has opted to change the policy of accounting of Gratuity, and during the restatement, Company has

accounted all gratuity expenses basis of actuarial valuation certificate as obtained at every period/year ended.

Provident Fund benefit to employees is provided for on accrual basis and charged to Profit and Loss Account.

#### **11. SEGMENT ACCOUNTING**

The Company is engaged only in the trading business hence has only single reportable business segment in the context of Accounting Standard 17 on Segment Reporting. Therefore, no separate segment disclosures are made by the Company.

#### **12. ACCOUNTING FOR TAXES ON INCOME**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, subject to consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more year. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

#### **13. CONTINGENT LIABILITIES AND PROVISIONS**

- A provision is recognized when the Company has a present obligation as a result of a past event,
- It is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date.
- A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.
- Contingent Assets are neither recognized nor disclosed in the financial statements.

#### **14. ACCOUNTING FOR OPERATING LEASE:**

The Company has various operating leases for premises; the leases are renewable on fixed periodic basis and are cancellable in nature after lock in period. Company generally charges rent paid/due on monthly basis to profit & Loss account.

#### **15. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Further The effect of bonus issue is eliminated by incorporating the bonus shares adjustment in the calculation of weighted average shares during restatement period.

#### **16. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

#### **C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS**

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement, except -  
:

- 1) Accounting of retirement benefits was accounted on cash basis which is not as per AS-15 (Revised) “Employee benefits”, however during the restatement Company has accounted such retirement benefits basis actuarial valuation certificate.

**D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

1. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers. Management is in process of compilation of such information.

**3. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**4. Amounts in the financial statements**

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**5. Auditors Qualifications –**

Details of Auditors qualifications and their impact on restated financial statement is given below.

- a) Qualification which required adjustment in restated financial statements

Financial Year	Audit Qualifications	Remark
FY 2020-21	NIL	Not Applicable
FY 2021-22	NIL	
FY 2022-23	NIL	
For the Period ended September 30, 2023	NIL	

- b) Qualification which does not require adjustment in restated financial statements – Details given below

Financial Year	Audit Qualifications	Management Reply
FY 2020-21	NIL	Not Applicable
FY 2021-22	NIL	Not Applicable
FY 2022-23	NIL	Not Applicable
For the Period ended September 30, 2023	NIL	Not Applicable

**ANNEXURE-V**

**MATERIAL ADJUSTMENTS [AS PER THE ICDR] REGULATION]**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective

years and their impact on the profit /(losses) of the Company is as under.

**Statement of Profit and Loss after Tax**

The reconciliation of Profit/(loss) after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

<b>Particulars</b>	<b>9/30/2023</b>	<b>3/31/2023</b>	<b>3/31/2022</b>	<b>3/31/2021</b>
Net Profit/(loss) after Tax as per audited accounts but before adjustments for restated accounts:	135.02	243.23	28.81	1.36
Less: Provision for Gratuity booked as per AS -15(Revised)	0.00	-0.15	0.00	0
Less: Depreciation Expenses	1.49	0.27	-1.82	-2.38
Less: Other Expenses	0.93	0	0	0
Short/(Excess) Provision for Deferred Tax Assets	-0.83	-0.96	0.48	-0.95
<b>Net Adjustment in Profit and Loss Account</b>	<b>1.59</b>	<b>-0.85</b>	<b>-1.34</b>	<b>-3.33</b>
<b>Net Profit/(Loss) After Tax as per Restated Accounts:</b>	<b>136.61</b>	<b>242.38</b>	<b>27.46</b>	<b>-1.97</b>

**a) Adjustment of Gratuity Expenses**

Company had accounted gratuity on cash basis, however during the restatement, Company has complied with the requirement of AS – 15 (Revised) “Employee Benefits” and accordingly booked Gratuity expenses basis of actuarial valuation report.

**b) Adjustment on account of Provision of Deferred Tax Assets:**

Due to Provision for Gratuity (Employee benefits), Difference of WDV of Fixed Assets as per Companies Act, 2013 and Income Tax Act, 1961 during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

**c) Accounting of Depreciation on Property, Plant and Equipment**

The depreciation was recalculated revised as per COMPANIES Act 2013, Schedule II from starting period and the difference short/(Excess) has been restated and necessary effect is given in Schedule of Property, Plant & Equipment and Opening retained earnings.

**NOTE -1**  
**RESTATED STATEMENT OF SHARE CAPITAL**  
(Amt. in Rs. Lacs, Except Share Data)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Share Capital</b>				
<b>Authorised Share Capital</b>				
10000 Equity shares of Rs.10 each	1.00	1.00	1.00	1.00
<b>Issued, Subscribed and Paid up Share Capital</b>				
10000 Equity Shares of Rs. 10 each fully paid up				
Equity Share Capital	1.00	1.00	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

**1. Terms/rights attached to equity shares:**

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

**2. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share**

**3. The reconciliation of the number of Equity shares outstanding as at: -**

Particulars	As at			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Number of shares at the beginning	10000	10000	10000	10000
Add: Bonus Share Issued		0	0	0
Add: Fresh Issue of shares	0	0	0	0
Number of shares at the end	10000	10000	10000	10000

**4. The detail of shareholders holding more than 5% of Shares: -**

Name of Shareholders	As at			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Anurag Agarwal	8000	8000	8000	5500
Aastha Agarwal	2000	2000	2000	2000
Mohini Jain	0	0	0	2500

**5. Promoters' Shareholding**

Shares held by promoters at the end of the period 30.09.2023			
Promoter's Name	No. of Shares	% of total Shares	% change during the year
Anurag Agarwal	8000	80.00%	0
Aastha Agarwal	2000	20.00%	0
Shares held by promoters at the end of the year 31.03.2023			
Promoter's Name	No. of Shares	% of total Shares	% change during the year
Anurag Agarwal	8000	80.00%	0
Aastha Agarwal	2000	20.00%	0
Shares held by promoters at the end of the year 31.03.2022			
Promoter's Name	No. of Shares	% of total	% change

		Shares	during the year
Anurag Agarwal	8000	80.00%	45.45%
Aastha Agarwal	2000	20.00%	0
<b>Shares held by promoters at the end of the year 31.03.2021</b>			
Promoter's Name	No. of Shares	% of total Shares	% change during the year
Anurag Agarwal	5500	55.00%	0
Aastha Agarwal	2000	20.00%	0

**NOTE -2**

**RESTATED STATEMENT OF RESERVES AND SURPLUS**

(Rs. in Lacs)

Reserves and Surplus	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Surplus in Profit and Loss account</b>				
Balance as per the last financial statements	255.50	13.12	-14.35	-18.45
Profit for the Year	136.61	242.38	27.46	-1.97
Less – Adjustment of previous year depreciation	-	-	-	6.07
Balance as at the end of Financial Year (A)	<b>392.11</b>	<b>255.50</b>	<b>13.12</b>	<b>-14.35</b>
<b>Balance as at the end of Financial Year (A)</b>	<b>392.11</b>	<b>255.50</b>	<b>13.12</b>	<b>-14.35</b>

**NOTE -3**

**RESTATED STATEMENT OF LONG TERM BORROWINGS (As Per Annexure 3A)**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>(a) Secured Car Loans From Banks</b>	33.10	19.83	0.00	0.00
<b>Sub-total (a)</b>	<b>33.10</b>	<b>19.83</b>	<b>0.00</b>	<b>0.00</b>
<b>(b) Unsecured loans</b>				
-Unsecured loans from Directors	93.96	53.59	48.82	49.82
-Unsecured loans from Related Parties	0.00	12.11	0	0
<b>Sub-total (b)</b>	<b>93.96</b>	<b>65.69</b>	<b>48.82</b>	<b>49.82</b>
<b>Total (a+b)</b>	<b>127.06</b>	<b>85.52</b>	<b>48.82</b>	<b>49.82</b>

Note: 3(A)- Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.

Particulars	As at 30.09.2023		As at 31.03.2023		As at 31.03.2022		As at 31.03.2021		Terms of repayments	Security
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current		
<b>Car loans</b>										
<b>(A) Secured Car Loans From Banks</b>										
-HDFC Bank Car Loan	16.25	3.61							Repayable in 60 monthly installments starting from June 2023. Last installment due in May 2028. Rate of Interest 9.70% as at year end (Previous year Nil p.a)	Secured by a first charge on Car MG No. RJ-45 CW-6905
-HDFC Bank Car Loan	11.71	3.31	13.40	3.18					Repayable in 60 monthly installments starting from Oct. 2022. Last installment due in Sept,2027. Rate of Interest 9.75% as at year end.(Previous year 9.75% p.a)	Secured by a first charge on Car Tata Safari No.HR-98F-0936
-IDFC First Loan	5.13	2.50	6.42	2.36					Repayable in 48 monthly installments starting from July 2022. Last installment due in June 2026. Rate of Interest 11.50 % as at year end.(Previous year 11.50% p.a)	Secured by a first charge on Car Toyota Cat No.HR26-DL-3064
<b>Total (A)</b>	<b>33.10</b>	<b>9.43</b>	<b>19.83</b>	<b>5.54</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>(B) Unsecured loans</b>										
<b>From Directors</b>										
Aastha Agarwal	9.30		9.30		4.25		4.25			
Anurag Agarwal	34.09		34.09		34.37		35.37			

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Mohini Jain		10.20	10.20		10.20		10.20		
<b>Total (B)</b>	<b>43.38</b>	<b>10.20</b>	<b>53.59</b>	<b>0.00</b>	<b>48.82</b>	<b>0.00</b>	<b>49.82</b>	<b>0.00</b>	
<b>(C) Unsecured Loans and advances from related parties</b>									
Kailash Chand Agarwal			10.09						
Trioventure Media Pvt Ltd.		2.02	2.02						
Sagar Agrawal	50.58		0.00						
<b>Total (C)</b>	<b>50.58</b>	<b>2.02</b>	<b>12.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Total (A+B+C)</b>	<b>127.06</b>	<b>21.66</b>	<b>85.52</b>	<b>5.54</b>	<b>48.82</b>	<b>0.00</b>	<b>49.82</b>	<b>0.00</b>	

**NOTE –4**  
**RESTATED STATEMENT OF LONG TERM PROVISIONS**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
-Gratuity provision	0.32	0.15	0.00	0.00
<b>Total</b>	<b>0.32</b>	<b>0.15</b>	<b>0.00</b>	<b>0.00</b>

**NOTE – 5**  
**RESTATED STATEMENT OF TRADE PAYABLES**

(Rs. in Lacs)

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>Trade Payables</b>				
<b>For Goods &amp; Services</b>				
Micro, Small and Medium Enterprises	150.73	107.98	71.69	0.00
Other than Micro, Small and Medium Enterprises	89.77	58.37	28.58	3.56
<b>Total</b>	<b>240.50</b>	<b>166.35</b>	<b>100.27</b>	<b>3.56</b>

**Trade Payable Ageing as at 30.09.2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	150.73	-	-	-	150.73
Others	87.29	2.47	-	-	89.77
Disputed dues- MSME	-	-	-	-	0.00
Disputed dues- Others	-	-	-	-	0.00
<b>Total</b>	<b>238.02</b>	<b>2.47</b>	<b>0.00</b>	<b>0.00</b>	<b>240.50</b>

**Trade Payable Ageing as at 31.03.2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	107.98				107.98
Others	55.75	0.00	2.63		58.37
Disputed dues- MSME					0.00
Disputed dues- Others					0.00
<b>Total</b>	<b>163.73</b>	<b>0.00</b>	<b>2.63</b>	<b>0.00</b>	<b>166.35</b>

**Trade Payable Ageing as at 31.03.2022**

Particulars	Outstanding for following periods from due date of payment				Total
-------------	--	--	--	--	-------

	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	71.69				71.69
Others	25.11	2.63	0.84		28.58
Disputed dues- MSME					0.00
Disputed dues- Others					0.00
<b>Total</b>	<b>96.80</b>	<b>2.63</b>	<b>0.84</b>	<b>0.00</b>	<b>100.27</b>

**Trade Payable Ageing as at 31.03.2021**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME					0.00
Others	2.73	0.84			3.56
Disputed dues- MSME					0.00
Disputed dues- Others					0.00
<b>Total</b>	<b>2.73</b>	<b>0.84</b>	<b>0.00</b>	<b>0.00</b>	<b>3.56</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.

**NOTE –6  
RESTATED STATEMENT OF CURRENT TAX LIABILITIES**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>INCOME TAX Provision (Net of Tax Paid)</b>				
-Provision for taxation	41.10	54.74	3.77	(0.18)
<b>Total</b>	<b>41.10</b>	<b>54.74</b>	<b>3.77</b>	<b>(0.18)</b>

**NOTE –7  
RESTATED STATEMENT OF SHORT TERM PROVISIONS**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
-Gratuity provision	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**NOTE –8  
RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Other Current Liabilities</b>				
-Current Maturities of Long term Borrowings	21.66	5.54	0.00	0.00
-Advance from Customer	25.00	2.00	2.00	2.00
-Other Payable	5.50	0.00	0.00	0.00
-Expenses Payable	0.00	2.86	2.86	2.86

-Employee Salary Payable	1.84	17.09	8.82	1.76
<b>Statutory Levies</b>				
-GST Payable	1.25	0.00	4.48	0.91
-TDS and TCS Payable	1.52	1.40	0.19	0.00
-ESIC Payable	0.16	0.00	0.00	0.00
-EPF Payable	0.62	0.00	0.00	0.00
<b>Total</b>	<b>57.54</b>	<b>28.89</b>	<b>18.35</b>	<b>7.52</b>

**Note -9**

**RESTATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

Apr23 -Sep 23

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04. 2023	Addi tions durin g the perio d	Deleti ons durin g the perio d	As at 30.09. 2023	Upto 01.04. 2023	Durin g the Period	Deletion during the period	Total upto 30.09. 2023	As at 30.09. 2023	As at 31.03. 2023
<b><u>Tangible Asset</u></b>										
Building	4.05	0.00	4.05	-	3.85	0.00	3.85	-	-	0.20
Plant and Machinery	20.50	0.00	0.00	20.50	12.70	0.65	0.00	13.35	7.15	7.80
Furniture and Fixtures	6.04	0.00	0.00	6.04	0.98	0.29	0.00	1.26	4.78	5.07
Office Equipments	0.56	0.78	0.00	1.33	0.07	0.05	0.00	0.12	1.21	0.49
Computers (Including software & Mobile)	10.23	0.89	0.00	11.13	3.06	1.56	0.00	4.62	6.51	7.17
Vehicles	41.95	26.45	0.00	68.40	7.61	3.49	0.00	11.10	57.30	34.34
<b>Sub-total</b>	<b>83.33</b>	<b>28.12</b>	<b>4.05</b>	<b>107.40</b>	<b>28.26</b>	<b>6.04</b>	<b>3.85</b>	<b>30.45</b>	<b>76.95</b>	<b>55.07</b>
<b>Total</b>	<b>83.33</b>	<b>28.12</b>	<b>4.05</b>	<b>107.40</b>	<b>28.26</b>	<b>6.04</b>	<b>3.85</b>	<b>30.45</b>	<b>76.95</b>	<b>55.07</b>
<i>Previous Year</i>	37.14	46.19	-	83.33	20.99	7.27	-	28.26	55.07	16.15

FY 2022-23

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04. 2022	Addi tions durin g the year	Deleti ons durin g the year	As at 31.03. 2023	Upto 01.04. 2022	Durin g the Period	Deletion during the period	Total upto 31.03. 2023	As at 31.03. 2023	As at 31.03. 2022
<b><u>Tangible Asset</u></b>										
Building	4.05	0.00	0.00	4.05	3.44	0.41	0.00	3.85	0.20	0.62
Plant and Machinery	20.50	0.00	0.00	20.50	11.40	1.30	0.00	12.70	7.80	9.09
Furniture and Fixtures	3.21	2.83	0.00	6.04	0.51	0.47	0.00	0.98	5.07	2.70

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Office Equipments	0.06	0.50	0.00	0.56	0.02	0.05	0.00	0.07	0.49	0.04
Computers (Including software & Mobile)	4.48	5.76	0.00	10.23	1.03	2.03	0.00	3.06	7.17	3.45
Vehicles	4.84	37.11	0.00	41.95	4.60	3.01	0.00	7.61	34.34	0.24
<b>Sub-total</b>	<b>37.14</b>	<b>46.19</b>	<b>0.00</b>	<b>83.33</b>	<b>20.99</b>	<b>7.27</b>	<b>0.00</b>	<b>28.26</b>	<b>55.07</b>	<b>16.15</b>
<b>Total</b>	<b>37.14</b>	<b>46.19</b>	<b>0.00</b>	<b>83.33</b>	<b>20.99</b>	<b>7.27</b>	<b>0.00</b>	<b>28.26</b>	<b>55.07</b>	<b>16.15</b>
<i>Previous Year</i>	33.71	3.43	0.00	37.14	18.69	2.30	0.00	20.99	16.15	15.02

**FY 2021-22**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2021	Additions during the year	Deletions during the year	As at 31.03.2022	Upto 01.04.2021	During the Period	Deletion during the period	Total upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>Tangible Asset</b>										
Building	4.05			4.05	3.02	0.41	0.00	3.44	0.62	1.03
Plant and Machinery	20.50			20.50	10.11	1.30	0.00	11.40	9.09	10.39
Furniture and Fixtures	3.21			3.21	0.20	0.30	0.00	0.51	2.70	3.01
Office Equipments	0.06			0.06	0.01	0.01	0.00	0.02	0.04	0.05
Computers (Including software & Mobile)	1.04	3.43		4.48	0.88	0.15	0.00	1.03	3.45	0.17
Vehicles	4.84			4.84	4.47	0.13	0.00	4.60	0.24	0.37
<b>Sub-total</b>	<b>33.71</b>	<b>3.43</b>	<b>0.00</b>	<b>37.14</b>	<b>18.69</b>	<b>2.30</b>	<b>0.00</b>	<b>20.99</b>	<b>16.15</b>	<b>15.02</b>
<b>Total</b>	<b>33.71</b>	<b>3.43</b>	<b>0.00</b>	<b>37.14</b>	<b>18.69</b>	<b>2.30</b>	<b>0.00</b>	<b>20.99</b>	<b>16.15</b>	<b>15.02</b>
<i>Previous Year</i>	31.37	2.34	0.00	33.71	15.93	2.75	0.00	18.69	15.02	15.43

**FY 2020-21**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2020	Additions during the year	Deletions during the year	As at 31.03.2021	Upto 01.04.2020	During the year	Deletion during the yr.	Total upto 31.03.2021	As at 31.03.2021	As at 31.03.2020
<b>Tangible Asset</b>										

Building	4.05		0.00	4.05	2.61	0.41	0.00	3.02	1.03	1.44
Plant and Machinery	20.49		0.00	20.50	8.81	1.30	0.00	10.11	10.39	11.69
Furniture and Fixtures	0.87	2.34	0.00	3.21	0.07	0.13	0.00	0.20	3.01	0.80
Office Equipments	0.05		0.00	0.06	0.01	0.01	0.00	0.01	0.05	0.05
Computers (Including software & Mobile)	1.04		0.00	1.04	0.55	0.33	0.00	0.88	0.17	0.50
Vehicles	4.84		0.00	4.84	3.90	0.57	0.00	4.47	0.37	0.95
<b>Sub-total</b>	<b>31.37</b>	<b>2.34</b>	<b>0.00</b>	<b>33.71</b>	<b>15.93</b>	<b>2.75</b>	<b>0.00</b>	<b>18.69</b>	<b>15.02</b>	<b>15.43</b>
<b>Total</b>	<b>31.37</b>	<b>2.34</b>	<b>0.00</b>	<b>33.71</b>	<b>15.93</b>	<b>2.75</b>	<b>0.00</b>	<b>18.69</b>	<b>15.02</b>	<b>15.43</b>

**Note 10**  
**RESTATED STATEMENT OF DEFERRED TAX ASSET/LIABILITY**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Deferred Tax Liability</b>				
Property, Plant & Equipment	1.35	1.00	0.29	0.30
<b>Total</b>	<b>1.35</b>	<b>1.00</b>	<b>0.29</b>	<b>0.30</b>
<b>deferred Tax Assets</b>				
Property, Plant & Equipment				
Preliminary Expenses	1.01	0.00	0.00	0.00
Gratuity Provision	0.08	0.04	0.00	0.00
<b>Total</b>	<b>1.09</b>	<b>0.04</b>	<b>0.00</b>	<b>0.00</b>
<b>Net deferred tax (Assets)/liability</b>	<b>0.27</b>	<b>0.97</b>	<b>0.29</b>	<b>0.30</b>
<b>Deferred tax Liability opening balance</b>	<b>0.97</b>	<b>0.29</b>	<b>0.30</b>	<b>0.00</b>
<b>Net deferred tax liability created/reversed</b>	<b>-0.70</b>	<b>0.68</b>	<b>-0.01</b>	<b>0.30</b>

**Note 11**  
**RESTATED STATEMENT OF OTHER NON-CURRENT ASSETS**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Security Deposits</b>				
-Security Deposit	1.35	0.37	0.00	0.00
<b>Total</b>	<b>1.35</b>	<b>0.37</b>	<b>0.00</b>	<b>0.00</b>

**Note 12**  
**RESTATED STATEMENT OF CURRENT INVESTMENTS**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
-Investment in Equity Shares	27.93	0.00	0.00	0.00
<b>Total</b>	<b>27.93</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<b>Quoted Equity Shares</b>				
Cost of Investment	27.93	0.00	0.00	0.00
Market Value of Investment	28.36	0.00	0.00	0.00

**Note 13**  
**RESTATED STATEMENT OF TRADE RECEIVABLES**

(Rs. in Lacs)

Particulars	As at			
	30-09-	31-03-	31-03-	31-03-

	2023	2023	2022	2021
<b>Trade Receivables</b>				
<b>Unsecured Considered good</b>				
Dues From Directors, Related parties/Common Group Company, etc.	0.00	0.00	0.00	0.00
Others	378.21	336.40	123.92	18.38
<b>Sub Total (A)</b>	<b>378.21</b>	<b>336.40</b>	<b>123.92</b>	<b>18.38</b>
<b>Total</b>	<b>378.21</b>	<b>336.40</b>	<b>123.92</b>	<b>18.38</b>

Trade Receivables ageing schedule as at 30 September 2023

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables- considered good	353.37	11.47	0.24		13.12	378.20
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>						<b>378.20</b>

Trade Receivables ageing schedule as at 31 March 2023

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables- considered good	323.05	-	0.24	13.12	-	336.40
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>						<b>336.40</b>

Trade Receivables ageing schedule as at 31 March 2022

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables- considered good	-	110.80	13.12	0.00	0.00	123.92
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Total</b>						<b>123.92</b>

Trade Receivables ageing schedule as at 31 March 2021

(Rs. in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less	6	1-2	2-3	More	

	than 6 month s	months - 1 year	year s	year s	than 3 years	
Undisputed Trade receivables- considered good	3.89	-	-	-	14.49	18.38
Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	0.00
Disputed Trade Receivables considered good	-	-	-	-	-	0.00
Disputed Trade Receivables considered doubtful	-	-	-	-	-	0.00
<b>Total</b>						<b>18.38</b>

**NOTE -14  
RESTATED STATEMENT OF CASH & CASH EQUIVALENTS**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Balances with Banks in Current Accounts</b>	15.62	102.45	30.25	1.30
<b>Cash on Hand</b>	8.07	4.58	4.86	0.18
<b>On Term Deposit accounts with maturity less than 3 months at inception</b>	121.27	13.10	0.00	0.00
<b>Total</b>	<b>144.96</b>	<b>120.12</b>	<b>35.11</b>	<b>1.47</b>

There are no cash and cash equivalents which are held as earmarked balances or having repatriation restrictions or held as margin/ security.

**NOTE -15  
RESTATED STATEMENT OF INVENTORIES**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Stock in Trade	-	8.11	8.11	12.80
Raw Material	24.10	0.00	0.00	0.00
Finished Goods	8.40	-	-	-
<b>Total</b>	<b>32.50</b>	<b>8.11</b>	<b>8.11</b>	<b>12.80</b>

<b>Particulars of Inventories</b>				
<b>Stock in Trade</b>				
Chuna & Dust	-	8.11	8.11	12.80
Biomass Pellets	8.40	-	-	-
<b>Raw Material</b>				
Ground Nut	13.06	-	-	-
Mustard	2.94	-	-	-
Chuna & Dust	8.11	-	-	-

Note: Company has started manufacturing from 1st October, 2023.

**NOTE -16  
RESTATED STATEMENT OF OTHER CURRENT ASSETS**

(Rs. in Lacs)

Particulars	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
-Advance to Suppliers	187.03	70.57	2.33	0.00
-Prepaid Expenses	0.52	0.52331	-	-
-Accrued Interest	1.13	0.13	-	-
-Balances with Government Authorities	0.00	1.75	-	-
-Advances to Employees	9.31	0.07	-	-
<b>Total</b>	<b>198.00</b>	<b>73.04</b>	<b>2.33</b>	<b>0.00</b>

**NOTE –17**  
**RESTATED STATEMENT OF REVENUE FROM OPERATIONS**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>(a) Revenue from Operations</b>				
-Sale of Products (Domestic)	4323.13	5861.60	791.82	13.49
-Sale of Services	-	-	-	5.00
<b>Total</b>	<b>4323.13</b>	<b>5861.60</b>	<b>791.82</b>	<b>18.49</b>

**NOTE –18**  
**RESTATED STATEMENT OF OTHER INCOME**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Related and Recurring Income:</b>				
-Incentive Target	50.97	108.87	-	-
-Discount Received	0.52	-	-	-
-Balance written off/Round Off	9.89	0.11	0.01	-
<b>Related and Non-Recurring Income:</b>				
-Interest from Fixed Deposits	1.69	0.64	-	-
-Interest on others	0.00	0.01	-	0.01
<b>Total</b>	<b>63.07</b>	<b>109.63</b>	<b>0.01</b>	<b>0.01</b>

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

**NOTE –19**  
**RESTATED STATEMENT OF COST OF MATERIAL CONSUMED**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Opening Stock of Raw Material	-	-	-	-
Purchase of Raw Materials & Components	16.00	-	-	-
Add: Transfer from Stock for trade to Raw Material	8.11	-	-	-
<b>Total</b>	<b>24.10</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less :Closing Stock of Raw Material	24.10	-	-	-
<b>Total</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: Company has started manufacturing from 1st October, 2023.

**NOTE –20**  
**RESTATED STATEMENT OF PURCHASE OF STOCK IN TRADE**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Purchase of Stock in trade	3591.08	4811.73	668.84	11.87
<b>Total</b>	<b>3591.08</b>	<b>4811.73</b>	<b>668.84</b>	<b>11.87</b>

**NOTE –21**  
**RESTATED STATEMENT OF CHANGE IN INVENTORIES OF STOCK IN TRADE**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021

Opening Balance				
(i) Chuna & Dust	8.11	8.11	12.80	12.80
Less: Stock transfer to Raw Material	8.11			
<b>Total</b>	<b>-</b>	<b>8.11</b>	<b>12.80</b>	<b>12.80</b>
Less: Closing Balance				
(i) Chuna & Dust		8.11	8.11	12.80
(ii) Biomass Pellets	8.40			
<b>Total</b>	<b>8.40</b>	<b>8.11</b>	<b>8.11</b>	<b>12.80</b>
<b>Increase/(Decrease) in Stock</b>	<b>(8.40)</b>	<b>-</b>	<b>4.70</b>	<b>-</b>

**NOTE -22**

**RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Salaries and wages				
-Employee's Salary Expenses	32.03	44.26	11.46	4.56
-Staff Welfare Expenses	1.96	1.97	-	-
Contribution to provident and other funds				
-EPF	0.32	-	-	-
-ESIC	0.13	-	-	-
-Gratuity	0.16	0.15	-	-
<b>Total</b>	<b>34.60</b>	<b>46.39</b>	<b>11.46</b>	<b>4.56</b>

**NOTE -23**

**RESTATED STATEMENT OF FINANCE COST**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Interest expense</b>				
-Interest on Term Loan from Bank	1.72	1.55	-	-
-Interest on Unsecured loan from Related party/others	11.36	2.67	-	-
<b>Other borrowing costs</b>				
-Loan Processing Cost/Bank charges	0.11	0.38	0.01	0.01
<b>Total</b>	<b>13.19</b>	<b>4.60</b>	<b>0.01</b>	<b>0.01</b>

**NOTE -24**

**RESTATED STATEMENT OF DEPRECIATION & AMORTISATION**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Depreciation on Property, Plant and Equipment	6.04	7.27	2.30	2.75
<b>Total</b>	<b>6.04</b>	<b>7.27</b>	<b>2.30</b>	<b>2.75</b>

**NOTE -25**

**RESTATED STATEMENT OF DEPRECIATION & AMORTISATION**

(Rs. in Lacs)

Particulars	For the Year ended			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Indirect Expenses</b>				
Audit Fees	1.61	0.36	0.30	0.10
Rates & taxes	-	-	-	-

Power and fuel	0.31	1.21	0.15	-
<b>Rent</b>				
-Rent	2.82	1.76	-	-
<b>Repair and Maintenance</b>				
-Repair & Maintenance - Other	1.60	3.35	0.66	0.20
<b>Transport Charges</b>				
-Transport Charges	491.44	648.33	67.25	-
<b>Testing Charges</b>				
-Testing Charges	0.21	0.33	0.19	-
<b>Insurance</b>				
-Insurance	0.83	0.50	-	-
<b>Selling &amp; Distribution Expenses</b>				
-Business Promotion Expenses	1.60	6.17	0.10	-
<b>Other Expenses</b>				
-Legal & Professional Fee	-	0.36	-	-
-Commission Charges	33.21	75.63	0.68	-
-Travelling & Conveyance Expenses	13.14	17.04	2.46	0.25
-Telephone & Postage Expenses	0.46	0.60	0.26	0.10
-Other Expenses	13.43	21.24	0.44	0.34
-Listing Expenses	5.00	-	-	-
-Building Written off	0.20	-	-	-
-Printing And Stationery	0.23	0.31	0.14	-
<b>Total</b>	<b>566.09</b>	<b>777.20</b>	<b>72.61</b>	<b>0.98</b>

## 26. ACCOUNTING STANDARD DISCLOSURES

The Company is a Small and Medium Sized Company (SMC) as defined in the Companies (Accounting Standards) Rules, 2011, notified under the Companies Act, 2013. Accordingly, the Company has complied with the accounting standards as applicable to a SMC.

## 27. EMPLOYEE BENEFITS

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

(Rs. in Lacs)

Particulars	Gratuity unfunded			
	30.09.2023	2022-23	2021-22	2020-21
<b>I Expenses recognized in the statement of profit &amp; loss for the year ended</b>				
Current Service Cost	0.13	0.15	0.00	-
Interest Cost	0.01	0.00	-	-
Expected return on plan assets	NA	NA	NA	NA
Past Service Cost	-	-	-	-
Net Actuarial (Gains)/Losses	0.02	0.00	-	-
<b>Total Expenses</b>	<b>0.16</b>	<b>0.15</b>	<b>0.00</b>	<b>-</b>
<b>II Net (asset)/liability recognized in the balance sheet</b>				
Present value of Defined Benefit Obligation	0.32	0.16	0.00	-
Fair Value of plan assets	-	-	-	-
Funded status [Surplus/(Deficit)]	-	-	-	-
<b>Net( asset)/Liability</b>	<b>0.32</b>	<b>0.16</b>	<b>0.00</b>	<b>-</b>

<b>III Change in obligation during the year ended</b>				
Present value of Defined Benefit Obligation at beginning of the year	0.16	0.00	-	-
Current Service Cost	0.13	0.15	0.00	-
Interest Cost	0.01	0.00	-	-
Plan amendment cost	-	-	-	-
Actuarial (Gains)/Losses	0.02	0.00	-	-
Benefits Payments	-	-	-	-
<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>0.32</b>	<b>0.16</b>	<b>0.00</b>	<b>-</b>
<b>IV Change in assets during the year ended</b>				
Plan assets at the beginning of the year	NA	NA	NA	NA
Expected return on plan assets	NA	NA	NA	NA
Contributions by Employer	NA	NA	NA	NA
Actual benefits paid	NA	NA	NA	NA
Actuarial Gains/(Losses)	NA	NA	NA	NA
Plan assets at the end of the year	NA	NA	NA	NA
<b>V Classification for the purpose of Revised schedule VI is as follows:</b>				
Current liability	0.00	0.00	-	-
Non-current liability	0.32	0.15	0.00	-
<b>VI Actuarial assumptions</b>				
Discount Rate	8%	7%	8%	NA
Expected rate of return on plan assets	-	-	-	NA
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14	NA
Turnover rate : Staff	10.00% p.a.	10.00% p.a.	10.00% p.a.	NA
Salary escalator	5.00% p.a.	5.00% p.a.	5.00% p.a.	NA
Maximum limit	20.00	20.00	20.00	NA

## 28. CONTINGENT LIABILITIES

There are no contingent liabilities exist in the company.

## 29. RELATED PARTY DISCLOSURE [AS-18]

Relationship:

Name	Nature of Relationship
Aastha Agarwal	Director
Anurag Agarwal	Director
Kailash Chand Agarwal	Director Anurag Agarwal's Father
Trioventure Media Private Limited	Director Aastha Agarwal's Company
Salasar Industries	Director Anurag Agarwal's Brother Firm
Salasar Pellet Energy	Director Anurag Agarwal's Father Firm
Rajasthan Renewable Energy	Director Anurag Agarwal's HUF Firm
Sarita Agarwal	Director Anurag Agarwal's Mother
Sagar Agrawal	Director Anurag Agarwal's Brother
Palak Agarwal	Director Anurag Agarwal's Wife
Mohini Jain	Director in 2021

Volume of Transactions	As At			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
Director Remuneration	-	0.80	2.00	2.40
Loan Taken	184.50	137.00	-	0.32
Loan Repayment	144.59	120.28	1.00	4.01
Purchases	430.59	871.27	264.93	-
Sales	2.18	67.19	2.60	10.00
Rent	0.84	1.14	-	-
Commission Paid	16.47	34.26	-	-
Interest	1.24	2.19	-	-
Incentives	50.97	108.87	-	-

Nature of Transactions	30.09.2023	31.03.2023	31.03.2022	31.03.2021
<b>Aastha Agarwal</b>				
Director Remuneration	-	0.80	2.00	-
Loan Taken	-	5.00	-	-
Interest	0.30	0.23	-	-
<b>Anurag Agarwal</b>	-	-	-	-
Director Remuneration	-	-	-	2.40
Loan Taken	27.50	60.00	-	0.32
Loan Repayment	27.50	60.28	1.00	4.01
Interest	0.37	0.70	-	-
<b>Kailash Chand Agarwal</b>	-	-	-	-
Loan Taken	15.00	50.00	-	-
Loan Repayment	25.09	40.00	-	-
Interest	0.46	1.18	-	-
Rent	-	0.60	-	-
<b>Kailash Chand Agarwal HUF</b>	-	-	-	-
Loan Taken	-	20.00	-	-
Loan Repayment	-	20.00	-	-
<b>Trioventure Media Private Limited</b>	-	-	-	-
Loan Taken	-	2.00	-	-
Interest	0.12	0.09	-	-
Commission Paid	16.47	34.26	-	-
<b>Salasar Industries</b>	-	-	-	-
Purchases	99.07	791.33	264.93	-
Sales	-	65.53	2.60	10.00
Incentives	-	108.87	-	-
<b>Salasar Pellet Energy</b>	-	-	-	-
Purchases	156.86	61.61	-	-
Sales	-	-	-	-
Incentives	25.10	-	-	-
<b>Rajasthan Renewable Energy</b>	-	-	-	-
Purchases	174.66	18.34	-	-
Sales	2.18	1.66	-	-
Incentives	25.87	-	-	-
<b>Saritha Agarwal</b>	-	-	-	-
Rent	0.84	0.54	-	-
<b>Sagar Agrawal</b>	-	-	-	-
Loan Taken	116.00	-	-	-
Loan Repayment	66.00	-	-	-
Interest	3.31	-	-	-

<b>Palak Agarwal</b>	-	-	-	-
Loan Taken	26.00	-	-	-
Loan Repayment	26.00	-	-	-

**30. EARNINGS PER SHARE (EPS) [AS- 20]**

	<b>30.09.2023</b>	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
<b>Basic and Diluted Earnings Per Shares (Rs.)</b>				
<b>Calculation of weighted average number of face value of equity shares of Rs. 10 each</b>				
No. of shares at the beginning of the year.	10000	10000	10000	10000
Total equity shares outstanding at the end of the year	10000	10000	10000	10000
Weighted average no of equity shares outstanding during the year.	10000	10000	10000	10000
Net Profit after Tax available for equity shares holders (Rs.)	136.61	242.38	27.46	-1.97
Basic and diluted earnings per shares (Rs.)	1366.09	2427.80	274.64	-19.66
Nominal value of equity shares (Rs. )	10.00	10.00	10.00	10.00

<b>Adjusted Earnings Per Share (Rs.) after Right Share issue</b>				
<b>Calculation of weighted average number of face value of equity shares of Rs. 10 each</b>				
No. of shares at the beginning of the year.	10000	10000	10000	10000
Add: Right Shares Issued	100000	100000	100000	100000
<b>Total equity shares outstanding at the end of the year</b>	<b>110000</b>	<b>110000</b>	<b>110000</b>	<b>110000</b>
Weighted average no of equity shares outstanding during the year.	110000	10000	10000	10000

<b>Adjusted Earnings Per Share (Rs.) after Bonus Share issue</b>				
<b>Calculation of weighted average number of face value of equity shares of Rs. 10 each</b>				
No. of shares at the beginning of the year.	110000	110000	110000	110000
Add: Bonus Shares Issued	3740000	3740000	3740000	3740000
<b>Total equity shares outstanding at the end of the year</b>	<b>3850000</b>	<b>3850000</b>	<b>3850000</b>	<b>3850000</b>
Weighted average no of equity shares outstanding during the year.	3850000	3850000	3850000	3850000
Net Profit after Tax available for equity shares holders (Rs.)	136.61	242.38	27.46	-1.97
Adjusted Basic and diluted earnings per shares (Rs.)	3.55	6.30	0.71	-0.05
Nominal value of equity shares (Rs. )	10.00	10.00	10.00	10.00

*The company has issued Right Issue of 100000 shares on November 21,2023 and has further issued 3740000 shares as Bonus Allotment on January 12, 2024. We have considered Right issue and Bonus issue for calculation of EPS.*

**31. ACCOUNTING FOR TAXES ON INCOME [AS- 22]**

As per AS- 22, during the year DTA is created.

**32. INTANGIBLE ASSETS [AS-26]**

The Company does not have any intangible assets (Covered under AS-26).

**33.** The disclosures required under other accounting standards not specifically covered are either disclosed in the

significant accounting policies or not applicable or NIL.

**34. OTHER NOTES**

a) Previous year figures have been re-classified and regrouped in accordance with the requirements applicable in the current year.

b) In the opinion of the Board, all the assets other than PPE, intangible assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all liabilities have been made.

**Additional Information:**

- a) Undisclosed Income: During the year, the Company has not surrendered or disclosed any undisclosed income in the tax assessment under the applicable provisions of the Income Tax Act, 1961.
- b) Details of Crypto Currency or Virtual Currency: During the year, the Company has neither traded nor invested in crypto currency or virtual currency.
- c) Corporate Social Responsibility (CSR): During the year, the Company is not covered under the provisions of Section 135 of the Act.
- d) During the year, the Company has not taken any loan from banks and financial institutions for any specific purpose.
- e) The other additional disclosures and information's (not specifically disclosed) as required by Schedule III are either nil or not applicable.

**NOTE -35**

**RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

**(Rs. in Lacs Except Per Share Data)**

Particulars	As at			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
Net Worth (A)	393.11	256.50	14.12	-13.35
Adjusted Profit after Tax (B)	136.61	242.38	27.46	-1.97
Number of Equity Share as on the End of Year (C)	10000	10000	10000	10000
Number of Equity Share "as adjusted with Right Issue & Bonus Issue"	3850000	3850000	3850000	3850000
Face Value per Share	10.00	10.00	10.00	10.00
Return on Net worth (%) (B/A)	34.75%	94.50%	194.54%	14.73%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	3931.07	2564.98	141.18	-133.47
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	10.21	6.66	0.37	-0.35
<b>EBITDA</b>	<b>139.64</b>	<b>225.90</b>	<b>34.21</b>	<b>1.08</b>

The company has issued Right Issue of 100000 shares on November 21, 2023 and has further issued 3740000 shares as Bonus Allotment on January 12, 2024. We have considered Right issue and Bonus issue for calculation of EPS.

**Analytical Ratios for Sep 2023 (Not Annualized)**

Particulars	Numerator/Denominator	30-Sept.-2023
(a) Current Ratio	Current Assets	2.30
	Current Liabilities	
(b) Debt-Equity Ratio	Total Debts	0.38
	Equity	
(c) Debt Service Coverage Ratio	Earnings available for Debt Service	1.22
	Interest + Installments	

(d) Return on Equity Ratio	<u>Profit after Tax</u>	42.06%
	Average Shareholder's Equity	
(e) Inventory turnover ratio	<u>Total Turnover</u>	212.92
	Average Inventories	
(f) Trade receivables turnover ratio	<u>Total Turnover</u>	12.10
	Average Account Receivable	
(g) Trade payables turnover ratio	<u>Total Purchases</u>	17.65
	Average Account Payable	
(h) Net capital turnover ratio	<u>Total Turnover</u>	9.77
	Net Working Capital	
(i) Net profit ratio	<u>Net Profit</u>	3.16%
	Total Turnover	
(j) Return on Capital employed	<u>EBIT</u>	36.30%
	Capital Employed	
(k) Return on investment	<u>Return on Investment</u>	15.89%
	Total Investment	

**Analytical Ratios for Financial Year 2022-23 and 2021-22**

Particulars	Numerator/Denominator	31-Mar-23	31-Mar-22	Change in %	Reasons for more than 25% Variance
(a) Current Ratio	<u>Current Assets</u> Current Liabilities	2.15	1.38	55.34 %	Turnover of the company increased Significantly thus increased in trade receivables
(b) Debt-Equity Ratio	<u>Total Debts</u> Equity	0.36	3.46	89.73	Company has repaid debts out of profits
(c) Debt Service Coverage Ratio	<u>Earning available for Debt Service</u> Interest + Installments	3.45	0.65	427.00 %	Profitability of the company increased Significantly
(d) Return on Equity Ratio	<u>Profit after Tax</u> Average Shareholder's Equity	179.13 %	7125.22 %	- 97.49 %	Turnover of the company increased Significantly and due to profitability of the company Increased, average shareholder's equity increased
(e) Inventory turnover ratio	<u>Total Turnover</u> Average Inventories	722.95	75.73	854.62 %	Turnover of the company increased Significantly
(f) Trade receivables turnover ratio	<u>Total Turnover</u> Average Account Receivable	25.47	11.13	128.85 %	Turnover of the company increased Significantly
(g) Trade payables turnover ratio	<u>Total Purchases</u> Average Account Payable	36.09	12.88	180.17 %	Turnover of the company increased Significantly
(h) Net capital turnover	<u>Total Turnover</u>	20.37	16.82	21.13	Turnover of the company

ratio	Net Working Capital			%	increased Significantly
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	4.14 %	3.47%	19.22 %	Profitability of the company increased Significantly
(j) Return on Capital employed	$\frac{\text{EBIT}}{\text{Capital Employed}}$	94.45 %	50.71 %	86.24 %	Profitability of the company increased Significantly
(k) Return on investment	$\frac{\text{Net Profit}}{\text{Total Investment/ Total Assets}}$	40.87 %	14.80 %	176.1 8%	Profitability of the company increased Significantly

**Analytical Ratios for Financial Year 2021-22 and 2020-21**

Particulars	Numerator/Denominator	31 Mar ch 2022	31 Mar ch 2021	Change in %	Reasons for more than 25% Variance
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.38	2.99	-53.76%	Relaisation of current assets are more prompt
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	3.46	(3.73)	192.64%	Company has raised debts to finance its growth
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest + Installments}}$	0.65	(0.03)	2052.27%	Profitability of the company increased Significantly
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	7125%	13%	55,714.58%	Profitability of the company increased Significantly
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	75.73	1.44	5142.71%	Turnover of the company increased Significantly
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	11.13	1.13	889.10%	Turnover of the company increased Significantly
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	12.88	3.84	235.89%	Turnover of the company increased Significantly
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	16.82	0.85	1878.38%	Turnover of the company increased Significantly
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	3.47%	-10.63%	132.63%	Profitability of the company increased Significantly
(j) Return on Capital employed	$\frac{\text{EBIT}}{\text{Capital Employed}}$	50.71%	-4.57%	1208.63%	Profitability of the company increased Significantly
(k) Return on investment	$\frac{\text{Net Profit}}{\text{Total Investment/ Total Assets}}$	14.80%	-4.12%	458.81%	Profitability of the company increased Significantly

**Analytical Ratios for Financial Year 2020-21 and 2019-20**

Particulars	Numerator/Denominator	31 March 2021	31 March 2020	Change in %	Reasons for more than 25% Variance
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(a) Current Ratio	<u>Current Assets</u>	2.99	5.70	47.50%	Relaisation of current assets are more prompt
	Current Liabilities				
(b) Debt-Equity Ratio	<u>Total Debts</u>	(3.73)	(3.07)	21.74%	
	Equity				
(c) Debt Service Coverage Ratio	<u>Earning available for Debt Service</u>	(0.03)	(0.05)	36.59%	Profitability of the company increased
	Interest + Installments				
(d) Return on Equity Ratio	<u>Profit after Tax</u>	0.13	0.18	-27.54%	Turnover of the company increased Significantly and due to profitability of the company Increased, average shareholder's equity increased
	Average Shareholder's Equity				
(e) Inventory turnover ratio	<u>Total Trunover</u>	1.44	0.59	145.07 %	Turnover of the company increased Significantly
	Average Inventories				
(f) Trade receivables turnover ratio	<u>Total Turnover</u>	1.13	0.52	115.90%	Turnover of the company increased Significantly
	Average Account Receivable				
(g) Trade payables turnover ratio	<u>Total Purchases</u>	3.84	-		Turnover of the company increased Significantly thus Creditors increased
	Average Account Payable				
(h) Net capital turnover ratio	<u>Total Turnover</u>	0.85	0.31	177.13 %	Turnover of the company increased Significantly
	Net Working Capital				
(i) Net profit ratio	<u>Net Profit</u>	-	-	-69.19%	Profitability of the company increased
	Total Turnover	10.63%	34.50 %		
(j) Return on Capital employed	<u>EBIT</u>	-4.57%	-7.84%	-41.63%	Profitability of the company increased
	Capital Employed				
(k) Return on investment	<u>Return on Investment</u>	-4.12%	-6.77%	-39.10%	Profitability of the company increased
	Total Investment				

**Note:**

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs. ) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the year.

(b) Diluted earnings per share (Rs. ) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the year for diluted EPS.

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the year.

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the year.

2) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus ( including, Securities Premium, General Reserve and surplus in statement of profit and loss)-Preliminary Expenses.

3) The figures disclosed above are based on the restated summary statements of the Company.

4) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income.

**Additional Information to The financial statements:-**

**NOTE NO. 36**

Other Disclosures as per Schedule-III of the Companies Act, 2013

(Rs in Lakhs)

36(1) Value of imports calculated on C.I.F basis by the company during the financial year in respect of

Particulars		As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
(a)	Raw materials	Nil	Nil	Nil	Nil
(b)	Plant & Machinery/Equipments*	Nil	Nil	Nil	Nil

\* Company has paid advance of USD 55620 to acquire plant & Machinery.

36(2) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;

Particulars		As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
(a)	Travelling Expenses	Nil	Nil	Nil	Nil
(b)	Other	Nil	Nil	Nil	Nil
<b>Total</b>		-	-	-	-

36(3)

Total value of all imported and Indigenous raw materials, spare parts and components consumed during the financial year and the total value of all raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;

Details of consumption of Raw Material & Consumables*		As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
(i)	Imported Raw materials	Nil	Nil	Nil	Nil
(ii)	Indigenous Raw materials	Nil	Nil	Nil	Nil

36(4) Earnings in foreign exchange

Particulars		As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
(a)	Export of goods calculated on FOB basis	Nil	Nil	Nil	Nil

36(5) Amounts remitted in foreign currency during the year on account of dividend

Particulars		As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
(a)	Amount of dividend remitted in foreign currency	Nil	Nil	Nil	Nil

NOTE NO. 37

Other Disclosures

ZD1 Disclosures related to Micro, Small and Medium Enterprises.

The Company has made payments of dues to Micro, Small and Medium enterprises generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act.

The Company has made payments of dues to Micro, Small and Medium enterprises generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act.

S N	Particulars	As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	150.73	107.98	71.69	-
2	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

**ZD2. Leases**

SN	Particulars	As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
	Future minimum rentals payable under non- cancellable operating Lease				
	- Not later than one Year	-	-	-	-
	- Later than one Year and not later than five years	-	-	-	-
	Lease payments recognized in the Statement of profit and loss for the period, with separate amount	2.82	1.76	-	-

**ZD3. Foreign Exchange exposure as on year-end are as under:**

	Particulars	As at 30 Sep 2023	As at 31 Mar 2023	As at 31 March 2022	As at 31 March 2021
(a)	Amount Receivable	-	-	-	-
(b)	Advance received for supply of goods	-	-	-	-
(c)	Advance paid for purchase of Machinery (In US \$)	\$55,620.00	-	-	-

**NOTE NO. 38**  
**CAPITALISATION STATEMENT**

Particulars	Pre Issue as at Sept. 30, 2023	Post Issue as at Sept. 30, 2023
<b>Borrowings</b>		
Short term debt (A)	21.66	21.66
Long Term Debt (B)	127.06	127.06
<b>Total debts (C)</b>	<b>148.72</b>	<b>148.72</b>
<b>Shareholders' funds</b>		
Equity share capital	1.00	*
Reserve and surplus - as restated	392.11	*
<b>Total shareholders' funds</b>	<b>393.11</b>	<b>0.00</b>
<b>Long term debt / shareholders' funds (in Rs.)</b>	0.32	*
<b>Total debt / shareholders' funds (in Rs.)</b>	0.38	*

\*The Corresponding post issue figure are not determinable at this stage, due to pendency of public issue, hence not furnished.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above excluding installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2023

**OTHER FINANCIAL INFORMATION**

The audited financial statements of our Company as at and for the period ended September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and their respective Audit reports thereon (Audited Financial Statements) are available at [shubhshreebiofuels.co.in](http://shubhshreebiofuels.co.in)

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red herring Prospectus; or (ii) Red herring Prospectus or (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein. The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

<b>Particulars</b>	<b>30.09.2023</b>	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
Profit After Tax (Rs. In Lakhs)	136.61	242.38	27.46	-1.97
Basic & Diluted Earnings Per Share (Based On Weighted Average Number Of Shares )	3.55	6.30	0.71	-0.05
Return On Net Worth(%)	34.75%	94.50%	194.54%	-
Nav Per Equity Share (Based On Actual Number Of Shares )	3,931.07	2,564.98	141.18	-133.47
Nav Per Equity Share (Based On Weighted Average Number Of Shares With Bonus Effect)	10.21	6.66	0.37	-0.35
Earnings Before Interest, Tax , Depreciation And Amortization (EBITDA)	139.64	225.90	34.21	1.08

**STATEMENT OF FINANCIAL INDEBTEDNESS**

To,

**The Board of Directors,**  
**Shubhshree Biofuels Energy Limited**  
 Plot No. 8 Ganesh Vihar B, Pandit T.N  
 Mishra Marg Nirman Nagar, Shyam Nagar,  
 Jaipur, Rajasthan, 302019

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Shubhshree Biofuels Energy Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 30<sup>th</sup> September, 2023 are mentioned below.

**A. SECURED LOANS**

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

Name of Lender	Loan/ Agreement A/c No./Ref. No.	Purpose	Sanctioned Amount (Rs. In Lakhs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on 30.09.2023 (Rs. In Lakhs)
IDFC First Bank	77553236	Car Loan	10.39	11.50	Hypothecation of car	Repayable in 48 equated instalments of Rs 0.27 lakhs each	7.64
HDFC Bank	132400356	Car Loan	18.08	9.75	Hypothecation of car	Repayable in 60 equated instalments of Rs 0.36 lakhs each	15.03
HDFC Bank	141373530	Car Loan	21.00	9.70	Hypothecation of car	Repayable in 60 equated instalments of Rs 0.43 lakhs each	19.86
<b>TOTAL (Fund Based)</b>							<b>42.53</b>
<b>TOTAL (Non-Fund Based)</b>							<b>Nil</b>
<b>GRAND TOTAL (Fund and Non-fund Based)</b>							<b>42.53</b>

**B. UNSECURED LOANS- FROM OTHERS**

Name of Lender	Loan/ Agreement A/c No./ Ref. No	Purpose	Sanctioned Amount (Rs. In Lakhs)	Rate of Interest	Re-Payment Schedule	30-09-2023 (Rs. In Lakhs)
Aastha Agarwal	-	Working Capital	4.25	0	Payable on demand	4.25
Aastha Agarwal	-		5.00	12		5.05
Anurag Agarwal	-		34.08	0		34.09
Mohini Jain	-		10.02	0		10.20

***Shubhshree Biofuels Energy Limited***

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Sagar Agrawal	-		50.57	12		50.58
Trio venture Media Pvt Ltd	-		2.00	12		2.02
<b>TOTAL</b>						106.19

Yours faithfully,  
**For, Ravi Sharma & Company**  
**Chartered Accountants,**  
**FRN: 015143C**

**Sourabh Jain**  
**(Partner)**  
**M. No. 431571**  
**Date: 22-03-2024**  
**Place: Jaipur**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS**

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “**Financial Information of the Company**” beginning on page 140. You should also read the section titled “**Risk Factors**” on page 25 and the section titled “**Forward Looking Statements**” on page 19 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements. Our 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 auditor dated March 22, 2024 which is included in this Draft Red Herring Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

### **Business Overview**

Our Company is engaged in the business of supplying of biomass fuels, which includes biomass pellets and briquettes. These biomass fuels are an alternative source of energy which are basically used in commercial and industrial heating, cooking fuel, industrial burning and electricity generation, as an alternative to fossil fuels like coal, firewood, lignite, Agri-waste etc. The briquettes are majorly used for industrial purposes like running boilers etc. and the pellets are majorly used as cooking fuel or commercial purposes. We are currently selling these pellets and briquettes to customers who are engaged in the business of recycling material, textile processing, pharmaceutical, metal etc.

These Biomass pellets and briquettes are built from recycled green waste, producing less greenhouse gas emission. The main raw material used in the manufacturing of biomass fuels include Agri-waste, saw dust, farm waste etc. These raw materials are procured from the farmers and nearby sources either directly or through dealers and brokers. Apart, from the biomass manufactured by our company, we are also involved in the supplying of the biomass pellets and briquettes, which are procured from different vendors who are engaged in the manufacturing of these biomass fuels.

Our company was incorporated in 2013 post incorporation our company was undertaking the business of manufacturing and supplying of building and construction material like fly ash bricks etc. Later, during December 2021, the company discontinued the business of fly ash bricks and foray into the business of supplying of biomass pellets and biomass briquettes. Looking at the market response and opportunity in this business, we established our manufacturing facility located at Khasra No 33/1, Village Pahadi , Teh. Niwai , District Tonk Rajasthan -304021 from October 2023, where we have installed 3 briquettes cum pelleting machines, one of which is owned by us and the rest 2 are taken on rent along with the premises, having a combined capacity of 132 tonnes per day. For the period October 2023 to February 2024, we have manufactured 12090 tonnes of biomass fuels against our total sales which was approximately 50600 tonnes and the share of manufactured goods were approximately 23.8% of our total sales.

Biomass pellet or briquettes are cylindrical and condensed form of organic material derived from various renewable sources. These pellets serve as an alternative to traditional fossil fuels and play a significant role in addressing energy and environmental challenges. These biomass fuels act as renewable energy source, reduce emissions, helps in utilization of the waste materials and are energy efficient. We have during the Fiscal year 2022 sold around 9700 tonnes of biomass fuels which increased to around 59400 tonnes in fiscal year 2023 representing as increase of over 500% and further increased to around 52400 tonnes during the period April 2023 to September 2023. Further, during the same period our revenue from operations also grow from Rs. 18.49 lakhs in Fiscal year 2021, to Rs. 791.82 lakhs in Fiscal year 2022, to Rs. 5861.60 lakhs in Fiscal year 2023 and Rs. 4323.13 Lakhs for the period September 30, 2023.

Further, in order to increase the use of Biomass pellets in briquettes, the Ministry of Power has mandated that all coal based thermal power plants of power generation utilities with bowl mills, shall on annual basis mandatorily use minimum 5% blend of biomass pellets made, primarily, of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26. All coal based thermal power plants of power generation utilities with ball & race mills, shall on annual basis mandatorily use 5% blend of biomass pellets(torrefied

only) made, primarily, of agro residue along with coal with effect from FY 2024-25. The obligation shall increase to 7% with effect from FY 2025-26. All coal based thermal power plants of power generation utilities with ball & tube mills, shall on annual basis mandatorily use 5% blend of torrefied biomass pellets with volatile content below 22%, primarily made of agro residue along with coal with effect from FY 2024-25 vide a notification dated June 16, 2023.

We currently sell majority of our products in the Northern States of India among which especially Haryana, Uttar Pradesh, Rajasthan and NCR region being the highest contributor to our revenue from operations. Our top 5 customers contribute majority of our revenues from operations i.e. 70.57%, 62.86%, 66.94%, and 92.49% of our revenue from operations for the period September 30, 2023, Fiscal year 2023, 2022 and 2021 respectively. Further Company sold approx. 59.08%, 49.64%, 34.46% and Nil in period September 30, 2023, FY 2022-23, FY 2021-22, and FY 2020-21 respectively to our top one customer. Further, the company has recently received a purchase order for short term supply of biomass approximately 31600 tonnes to a company engaged in metal industry for a period of 5 months and also received an order for supply of biomass pellets approximately 14600 tonnes for a period of 1 year from a power sector company.

The promoters of our company are Anurag Agarwal, Aastha Agarwal and Sagar Agrawal. Sagar Agrawal is a Promotor having an experience of 10 Years and Anurag Agarwal and Aastha Agarwal having an experience of 2.5 Years in the field of Biomass fuels The knowledge and guidance of our promoters and directors have been instrumental for the growth and development of the Company. Under the guidance of our promoter and the support of our employees, we have evolved ourselves into a company engaged in the manufacturing of the biomass fuel, which can act as an alternative to fossil fuels and lead to safer and greener fuel option to our customers.

### Financial Snapshot

(All amounts in Rs. Lakhs)

Key Financial Performance	For the period	For the year		
	September 30, 2023	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations <sup>(1)</sup>	4323.13	5861.60	791.82	18.49
EBITDA <sup>(2)</sup>	139.64	225.90	34.21	1.08
EBITDA Margin <sup>(3)</sup>	3.23%	3.85%	4.32%	5.83%
PAT	136.61	242.38	27.46	(1.97)
PAT Margin <sup>(4)</sup>	3.16%	4.14%	3.47%	(10.63%)
RoE(%) <sup>(6)</sup>	42.06%	179.13%	7125.22%	12.77%
RoCE (%) <sup>(7)</sup>	36.30%	94.45%	50.71%	-4.57%

**Notes:**

<sup>(1)</sup> Revenue from operation means revenue from sales and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is which is defined as shareholders' equity plus total borrowings {current & non-current}

### Geographical Revenue Break up

Sr. No.	State	Revenue (Amount in Lakhs)							
		30-Sep-23	%	31-Mar-23	%	31-Mar-22	%	31-Mar-21	%
1	Uttar Pradesh	3,139.16	72.61	3,405.12	58.09	456.26	57.62	0	0
2	Haryana	807.64	18.68	1,747.47	29.81	208.27	26.30	0	0
3	Rajasthan	184.95	4.28	491.82	8.39	3.36	0.42	18.49	100
4	Delhi	29.19	0.68	120.69	2.06	0	0.00	0	0
5	Gujrat	0	0.00	41.04	0.70	108.36	13.68	0	0
6	Uttarakhand	107.02	2.48	2.35	0.04	0	0.00	0	0
7	Other	55.18	1.28	53.11	0.91	15.57	1.97	0	0

	<b>Total</b>	<b>4,323.14</b>	100.00	<b>5,861.60</b>	100.00	<b>791.82</b>	100.00	<b>18.49</b>	100
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## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of “**Statement of Significant Accounting Policies**”, please refer to **Annexure IV of Restated Financial Statements** beginning on page 140 of this Draft Red Herring Prospectus.

### Factors Affecting our Results of Operations

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in focus toward the Biomass fuels i.e. Biomass Pellets and Briquettes demand;
3. Any change in government policies resulting in increases in taxes payable by us;
4. Our ability to retain our key management persons and other employees;
5. Changes in laws and regulations that apply to the Biomass fuels industry in which we operate.
6. Our failure to keep pace with rapid changes in technology;
7. Our ability to grow our business;
8. Our ability to make interest and principal payments and satisfy the covenants in our existing/future debt;
9. General economic, political and other risks that are out of our control;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. Company’s ability to successfully implement its growth strategy and expansion plans ;
12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
13. Inability to successfully obtain registrations in a timely manner or at all;
14. Occurrence of Environmental Problems & Uninsured Losses;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse legal proceedings initiated against our company or its promoters, directors and KMP’s;
17. Concentration of ownership among our Promoters;
18. The performance of the financial markets in India and globally; and
19. Impact of covid-19 on our business and operations.

**Discussion on Result of Operations**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period September 30, 2023 and for the financial years ended on March 31, 2023, 2022 and 2021.

(Rs. in Lakhs)

Particulars	September 30, 2023	% of Total Income	March 31, 2023	% of Total Income	March 31, 2022	% of Total Income	March 31, 2021	% of Total Income
Revenue from Operation	4323.13	98.56	5861.60	98.16	791.82	100.00	18.49	99.95
Other Income	63.07	1.44	109.63	1.84	0.01	0.00	0.01	0.05
<b>Total Income</b>	<b>4386.21</b>	<b>100.00</b>	<b>5971.24</b>	<b>100.00</b>	<b>791.83</b>	<b>100.00</b>	<b>18.50</b>	<b>100.00</b>
<b>Expenditure</b>								
Cost of material Consumed	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of Stock in Trade	3591.08	81.87	4811.73	80.58	668.84	84.47	11.87	64.15
Change in inventories of finished goods, work in progress and stock in trade	(8.40)	(0.19)	0.00	0.00	4.70	0.59	0.00	0.00
Employee Benefit Expenses	34.60	0.79	46.39	0.78	11.46	1.45	4.56	24.64
Finance Cost	13.19	0.30	4.60	0.08	0.01	0.00	0.01	0.04
Depreciation and Amortization Expenses	6.04	0.14	7.27	0.12	2.30	0.29	2.75	14.89
Other Expenses	566.09	12.91	777.20	13.02	72.61	9.17	0.98	5.30
<b>Total Expenditure</b>	<b>4202.61</b>	<b>95.81</b>	<b>5647.19</b>	<b>94.57</b>	<b>759.91</b>	<b>95.97</b>	<b>20.17</b>	<b>109.02</b>
<b>Profit/(Loss) Before Tax</b>	<b>183.59</b>	<b>4.19</b>	<b>324.05</b>	<b>5.43</b>	<b>31.92</b>	<b>4.03</b>	<b>(1.67)</b>	<b>(9.02)</b>
<b>Tax Expense</b>								
Tax Expense for Current Year	47.68	1.09	80.99	1.36	4.46	0.56	0.00	0.00
Short/(Excess) Provision of Earlier Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Tax	(0.70)	(0.02)	0.68	0.01	(0.01)	(0.00)	0.30	1.61
<b>Profit/(loss) after tax</b>	<b>136.61</b>	<b>3.11</b>	<b>242.38</b>	<b>4.06</b>	<b>27.46</b>	<b>3.47</b>	<b>(1.97)</b>	<b>10.61</b>

**Revenue from operations:**

Revenue from operations mainly consists of revenue from sale of biomass pellets and briquettes. The company was earlier engaged in the business of manufacturing of fly ash bricks, but later during the year 2021 foray into the supplying of biomass pellets and briquettes. Further, during the year 2023, the company further started the manufacturing of biomass pellets and briquettes.

**Other Income:**

Other income primarily comprises of incentives received, interest from fixed deposits, discounts received and balances written off.

**Total Expenses:**

Total expenses consist of operating cost like purchase of material, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

**Purchase of Material**

The company was till September 2023 majorly involved in the supplying of the biomass pellets and briquettes but now the company has started the manufacturing of these biomass pellets and briquettes.

**Employee benefits expense:**

Employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Staff welfare expenses and Employers Contribution to ESI and PF and Gratuity.

**Finance Costs:**

Our finance cost includes Interest expenses and Bank charges.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on plant & machinery, furniture and fixtures, office equipment, computer, vehicle and computer software.

**Other Expenses:**

Other Expenses consists of audit fees, rates & taxes, power and fuel, rent, repair and maintenance, transport charges, testing charges, insurance, business promotion expenses and other expenses like legal & professional fee, commission charges, travelling & conveyance expenses, telephone & postage expenses, building written off, printing and stationery, etc.

**FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

**Total Income:**

Total income for the period ended September 30, 2023 stood at Rs. 4386.21 Lakhs. The total income consists of revenue from operations and other income.

**Revenue from Operations**

During the period ended September 30, 2023 the net revenue from operation of our Company was Rs. 4323.13 Lakhs from sale of biomass pellets and briquettes.

**Other Income:**

During the period ended September 30, 2023 the other income of our Company stood at Rs 63.07 Lakhs. The main components of the other income primarily comprises of incentives received, balances written off, interest from fixed deposits and discounts received.

**Total Expenses**

Total expenses consist of cost like purchase of material, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses. During the period ended September 30, 2023 the total expenses of our Company stood at Rs 4202.61 Lakhs.

**Purchase of Material**

During the period ended September 30, 2023 the purchase of material cost of our Company stood at Rs. 3591.08 Lakhs. Our Purchase cost primarily comprises of Purchase of material like biomass pellets, briquettes and the Agri waste required to manufacture these biomass components. The purchase cost accounts to approximately 83.07% of the sales value of the material.

**Employee benefits expense:**

During the period ended September 30, 2023 the employee benefit expenses of our Company stood at Rs. 34.60 Lakhs. The main components of the employee benefit expenses are Salaries & wages.

**Finance Costs:**

During the period ended September 30, 2023 the finance cost expenses of our Company stood at Rs. 13.19 Lakhs. Our finance cost includes Interest expenses and Bank charges

**Depreciation and Amortization Expenses:**

During the period ended September 30, 2023 the Depreciation and amortization charges of our Company stood at Rs. 6.04 Lakhs, during the period the company has capitalized the fixed assets amounting to Rs. 28.12 lakhs including vehicles.

**Other Expenses:**

During the period ended September 30, 2023 the Other Expenses of our Company stood at Rs. 566.09 Lakhs Other Expenses consists of audit fees, rates & taxes, power and fuel, rent, repair and maintenance, transport charges, testing charges, insurance, business promotion expenses and other expenses like legal & professional fee, commission charges, travelling & conveyance expenses, telephone & postage expenses, building written off, printing and stationery, etc.

**Restated Profit before tax:**

The Company reported Restated profit before tax for period ending September 30, 2023 of Rs. 183.59 Lakhs.

**Restated profit after tax:**

The Company reported Restated profit after tax for period ending September 30, 2023 of Rs. 136.61 Lakhs.

**FINANCIAL YEAR 2023 COMPARED TO FINANCIAL YEAR 2022**

**Total Income:**

Total income for the financial year 2022-23 stood at Rs. 5971.24 Lakhs whereas in Financial Year 2021-22 the same stood at Rs. 791.83 Lakhs representing an increase of 654.11%. The main reason of increase was increase in the volume of business operations of the company.

### **Revenue from Operations**

During the financial year 2022-23 the net revenue from operation of our Company increased to Rs. 5861.60 Lakhs as against Rs. 791.82 Lakhs in the Financial Year 2021-22 representing an increase of 640.27%. The main reason of increase was increase in the volume of business i.e. sale of biomass pellets and briquettes which increased from around 9700 tonnes in FY2021-22 to around 59400 tonnes during the FY 2022-23.

### **Other Income:**

During the financial year 2022-23 the other income of our Company increased to Rs. 109.63 Lakhs as against Rs. 0.01 lakhs in the Financial Year 2021-22 which was majorly due to the increase in the incentive targets which increased from Nil to Rs. 108.87 lakhs in the FY 2022-23.

### **Total Expenses**

The total expense for the financial year 2022-23 increased to Rs. 5647.19 Lakhs from Rs. 759.91 lakhs in the Financial Year 2021-22 representing an increase of 643.07%. Such increase was due to increase in business operations of the Company where the purchase of material increased by 619.24% which represent over 80% of the total revenue of the company.

### **Purchase of material**

The Purchase of material for the financial year 2022-23 increased to Rs. 4811.73 lakhs from Rs. 668.84 lakhs in the Financial Year 2021-22 representing an increase of 619.42%. Such increase was due to increase in business operations of the Company. The purchase material represent almost 80.58% of the total income in the FY 2022-23 and 84.47% of the total income during the FY 2021-22.

### **Employee benefits expense:**

Our Company has incurred Rs. 46.39 Lakhs as Employee benefits expense during the financial year 2022-23 as compared to Rs. 11.46 Lakhs in the financial year 2021-22. The increase of 304.83% was due to increase in (i) Employees Salary Expenses from Rs. 11.46 lakhs to Rs. 44.26 lakhs which amount to 286.42% (ii) Contribution to gratuity and the staff welfare expenses.

### **Finance Cost**

Our Company has incurred Rs. 4.60 Lakhs as finance cost during the financial year 2022-23 as compared to Rs. 0.01 Lakhs in the financial year 2021-22. The increase was due to increase in borrowings during the FY 2022.

### **Depreciation and Amortization Expenses:**

Depreciation for the financial year 2022-23 stood at Rs. 7.27 Lakhs as against Rs. 2.30 Lakhs during the financial year 2021-22. The increase in depreciation was around 193.80% which was due to purchase of vehicles.

### **Other Expenses:**

Our Company has incurred Rs. 777.20 Lakhs during the Financial Year 2022-23 on other expenses as against Rs. 72.61 Lakhs during the financial year 2021-22. There was an increase of 970.33% mainly due (i) increase in repair and maintenance charges from Rs. 0.66 lakhs to Rs. 3.35 lakhs, (ii) increase in transportation charges from Rs. 67.25 to Rs. 648.33 lakhs, (iii) increase in commission charges from Rs. 0.68 lakhs to Rs. 75.63 lakhs as compared with previous year.

**Restated profit before tax:**

Net profit before tax for the financial year 2022-23 increased to Rs. 324.05 Lakhs as compared to Rs. 31.92 Lakhs in the financial year 2021-22. The increase of 916.93% was majorly due to factors as mentioned above.

**Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year increase by 783.92% from net profit of Rs. 27.46 Lakhs in financial year 2021-22 to net profit Rs. 242.38 lakhs in financial year 2022-23. Consequently, our PAT Margin expanded to 4.07% of total income in financial year 2022-23 from 3.47% of total income in financial year 2021-22 due to revenue increasing more in comparison with the other fixed expenses.

**FINANCIAL YEAR 2022 COMPARED TO FINANCIAL YEAR 2021**

**Total Income:**

Total income for the financial year 2021-22 stood at Rs. 791.83 Lakhs whereas in Financial Year 2020-21 the same stood at Rs. 18.50 Lakhs representing an increase of 4179.34%. The increase in revenue was due to change in the business operations of the company from construction material to biomass pellets and briquettes.

**Revenue from Operations**

During the financial year 2021-22 the net revenue from operation of our Company increased to Rs. 791.82 Lakhs as against Rs. 18.49 Lakhs in the Financial Year 2020-21 representing an increase of 4181.37%. The main reason of increase was due to change in the business operations of the company, the company changed the business operations to biomass fuels. Further, the company sold around 9700 tonnes of biomass fuels during the FY 2021-22, previously the company was engaged in the business of fly ash bricks and miscellaneous ite

**Other Income:**

During the financial year 2021-22 the other income of our Company remained stable at Rs. 0.01 Lakhs as against Rs. 0.01 lakhs in the Financial Year 2020-21.

**Total Expenses**

The total expense for the financial year 2021-22 increased to Rs. 759.91 Lakhs from Rs. 20.17 lakhs in the Financial Year 2020-21 representing an increase of 3667.20%

**Purchase of Material**

The Cost of Purchase of material for the financial year 2021-22 increased to Rs. 668.84 lakhs from Rs. 11.87 lakhs in the Financial Year 2020-21 representing increase of 5534.66%. Such increase was due to increase in business operations of the Company pursuant to the change in the business undertaken by the Company.

**Employee benefits expense:**

Our Company has incurred Rs. 11.46 Lakhs as Employee benefits expense during the financial year 2021-22 as compared to Rs. 4.56 Lakhs in the financial year 2020-21. The reason for increase in expenses was due to an increase in Salaries and wages by Rs. 6.90 lakhs as compared to the previous year.

**Finance Cost**

Our Company has incurred Rs. 0.01 Lakhs as finance cost during the financial year 2021-22 as compared to Rs. 0.01 lakhs in the financial year 2020-21. The Company has not taken any major loans or financial arrangement during the Fiscal year.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2021-22 stood at Rs. 2.30 Lakhs as against Rs. 2.75 Lakhs during the financial year 2020-21. The decrease in depreciation was around 16.51% in comparison to the previous year.

**Other Expenses:**

Our Company has incurred Rs. 72.61 Lakhs during the Financial Year 2021-22 on other expenses as against Rs. 0.98 Lakhs during the financial year 2020-21. There was an increase of 7310.54% mainly due to change in the business operations of the company which leads to increase in transportation charges, repair and maintenance, travelling & conveyance charges and commission charges etc.

**Restated profit before tax:**

Net profit before tax for the financial year 2021-22 increased to Rs. 31.92 Lakhs as compared to Rs. (1.67) Lakhs in the financial year 2020-21. The increase was majorly due to factors as mentioned above.

**Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year increased to net profit of Rs. 27.46 Lakhs in financial year 2021-22 to net loss Rs. (1.97) lakhs in financial year 2020-21.

**Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section "Risk Factors" beginning on page 25 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues**

Other than as described in the sections "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 25, 96 and 178 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. Segment Reporting**

As we deal in manufacturing and supplying of biomass fuels mainly pellets and briquettes our business activities fall under a single segment.

**6. Status of any publicly announced New Products or Business Segment**

Except as disclosed in the Chapter “Our Business”, our Company has not announced any new product or service.

**7. Seasonality of business**

Our business is not subject to seasonality, however, the raw material used in the manufacturing of the biomass fuels i.e. agricultural waste is a seasonal product. For further information, see “Industry Overview” and “Our Business” on pages 87 and 96 respectively.

**8. Dependence on single or few customers**

For the period September 30, 2023, FY 22-23, FY 21-22 and FY 2020-21 our top 5 customers contributed to 70.57%, 62.86%, 66.94%, and 92.49% of our revenue from operations. For further information, see “Risk Factors” on page 25 of this Draft Red Herring Prospectus

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on pages 87 and 96 respectively of this Draft Red Herring Prospectus.

**10. Details of material developments after the date of last balance sheet i.e., September 30, 2023**

After the date of last Balance sheet i.e., September 30, 2023, the following material events have occurred after the last audited period–

- We have increased the authorized share capital from 1.00 Lakh divided into 10,000 Equity Shares of Rs. 10/- each to 500.00 Lakhs divided into 50,00,000 Equity Shares of Rs. 10/- each vide Extra Ordinary general Meeting held on October 09, 2023.
- We have changed its name from “Shubhshree Bricks Private Limited” to “Shubhshree Biofuels Energy Private Limited” vide Special Resolution passed in the Extra Ordinary General Meeting held on October 09, 2023.
- We have allotted 1,00,000 Equity share via Right Issue at a price of Rs. 125/- vide Board Meeting November 21, 2024.
- We have allotted 37,40,000 Equity share via Bonus in the ratio of 34:1 vide Board Meeting January 12, 2024 approved by the Shareholders via Special Resolution vide Extra Ordinary General Meeting held on January 12, 2024
- We have converted the Company from private to public “Shubhshree Biofuels Energy Private Limited” to “Shubhshree Biofuels Energy Limited” vide Special Resolution passed on January 18, 2024 in the Extra Ordinary General Meeting held in January 18, 2024.
- We have increased the authorized share capital from 500.00 Lakhs divided into 50,00,000 Equity Shares of Rs. 10/- each to 700.00 Lakhs divided into 70,00,000 Equity Shares of Rs. 10/- each vide Extra Ordinary general Meeting held on February 16, 2024.
- We have appointed Sagar Agrawal as Chairman and Managing Director of the Company for a term of 3 year with effect from March 16, 2024 by board in its meeting held on March 15, 2024 and confirmed by shareholders vide Extra Ordinary General Meeting held on March 16, 2024.
- We have appointed to Anurag Agarwal as Whole Time Director for a term of 3 year with effect from March 16, 2024 by board in its meeting held on March 15, 2024 and confirmed by shareholders vide Extra Ordinary General Meeting held on March 16, 2024.
- We have appointed Jitendra Kumar Kumawat as CFO of the Company with effect from March 16, 2024 approved by the Board Resolution Vide Board Meeting held on March 15, 2024.
- We have appointed Rajesh Jain as Non-executive independent director for a term of 5 year with effect from March 16, 2024 by board in its meeting held on March 15, 2024 and confirmed by shareholders by way of Ordinary Resolution vide Extra Ordinary General Meeting held on March 16, 2024

- We have appointed Vijay Kumar Jain as Non-executive independent director for a term of 5 year with effect from March 16, 2024 by board in its meeting held on March 15, 2024 and confirmed by shareholders by way of Ordinary Resolution vide Extra Ordinary General Meeting held on March 16, 2024.
- We have appointed Upasana Srivastava Dattani as Non-Executive Director in the Extra Ordinary General Meeting held on March 13, 2024.
- We have changed the designation of Aastha Agarwal from Director to Non-Executive Director w.e.f. March 16, 2024 in the Extra Ordinary General Meeting held on March 16, 2024.
- We have altered the Article of Association of the Company via Special Resolution passed in the Extra Ordinary general Meeting held on March 16, 2024.
- We have passed a Board resolution in the meeting of Board of Directors dated March 15, 2024 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
- We have passed a special resolution in the Extra Ordinary General meeting dated March 16, 2024 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
- Our Company has approved the Restated Financial Statements for the period ended September 30, 2023 and for the financial year ended March 31, 2023, 2022 and 2021 in the Board meeting dated March 22, 2024
- We have appointed Aakrati Singhania as Company Secretary & Compliance officer w.e.f. March 23, 2024 approved by the Board Resolution vide Board resolution dated March 23, 2024.

**CAPITALISATION STATEMENT**

<b>Particulars</b>	<b>Pre Issue as at Sept. 30, 2023</b>	<b>Post Issue as at Sept. 30, 2023</b>
<b>Borrowings</b>		
Short term debt (A)	21.66	21.66
Long Term Debt (B)	127.06	127.06
<b>Total debts (C)</b>	<b>148.72</b>	<b>148.72</b>
<b>Shareholders' funds</b>		
Equity share capital	1.00	*
Reserve and surplus - as restated	392.11	*
<b>Total shareholders' funds</b>	<b>393.11</b>	<b>0.00</b>
<b>Long term debt / shareholders' funds (in Rs.)</b>	0.32	*
<b>Total debt / shareholders' funds (in Rs.)</b>	0.38	*

\*The Corresponding post issue figure are not determinable at this stage, due to pendency of public issue, hence not furnished.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above excluding installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2023

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

Our Board of Directors, in its meeting held on March 23, 2024, determined that outstanding litigation involving our Company, its directors and its promoters, shall be considered material (“Material Litigation”) if:

- i. the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited standalone financial statements of the Company; or
- ii. such litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company.

Our Board of Directors, in its meeting held on March 23, 2024, determined that outstanding dues to the small-scale undertakings and other creditors exceeding 5% of the Company’s trade payables for the last audited Restated Financial Statements shall be considered material dues for the company for the purpose of disclosure in Draft Red Herring Prospectus. (“Material Dues”).

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at [www.shubhshreebiofuels.co.in](http://www.shubhshreebiofuels.co.in).

Our Company, its Directors and its Promoters are not Willful Defaulters and there have been no violations of securities laws in the past or pending against them.

#### **A. LITIGATION INVOLVING THE COMPANY**

##### **(a) Criminal proceedings against the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

##### **(b) Criminal proceedings filed by the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company.

##### **(c) Other pending material litigations against the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

##### **(d) Other pending material litigations filed by the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the company, which have been considered material by the Company in accordance with the Materiality Policy.

##### **(e) Actions by statutory and regulatory authorities against the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

**B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY**

**(a) Criminal proceedings against the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no pending claims related to Criminal Proceedings involving the Promoters & Directors of the company.

**(b) Criminal proceedings filed by the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the company.

**(c) Other pending material litigations against the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**(d) Other pending material litigations filed by the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated by the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**(e) Actions by statutory and regulatory authorities against the Promoters & Directors of the company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters & Directors.

**C. TAX PROCEEDINGS**

- a. Except as mentioned below, on the date of this Draft Red Herring Prospectus, there are no pending claims related to tax Proceedings involving the Company:

As per TRACES, the following TDS Liabilities of the Company is being shown towards the Interest for late payment of TDS, short deduction, late filing fees u/s 234E or Interest u/s 220(2) of the Income Tax Act, 1961: -

S. No.	Financial Year	Outstanding Liability (in Rs.)
1	2023-2024	1,28,474.80
2	Prior Years	905.00
<b>Total outstanding liability</b>		<b>1,29,379.80</b>

- b. As on the date of this Draft Red Herring Prospectus, there are no pending litigations or claims relating to our group companies which may have a material impact on our Company.

**A. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

The Board of Directors of our Company considers dues exceeding 5% of our Company's total Trade payables as per Restated financial statements, to small scale undertakings and other creditors as material dues for our Company.

Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the period ended on September 30, 2023 were Rs. 240.50 Lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs. 12.02 lakhs. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on March 23, 2024.

Based on these criteria, details of outstanding dues owed as on September 30, 2023 by our Company on are set out below:

(₹ in lakhs)

<b>Types of creditors</b>	<b>Number of creditors</b>	<b>Amount involved</b>
Micro, small and medium enterprises	22	150.73
Material Creditors	3	52.48
Other Creditors	55	37.29
<b>Total</b>	<b>80</b>	<b>240.50</b>

The details pertaining to net outstanding dues towards our material creditors as on September 30, 2023 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.shubhshreebiofuels.co.in](http://www.shubhshreebiofuels.co.in) It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

**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 178 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## **GOVERNMENT AND OTHER APPROVALS**

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this issue and our current 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 Draft Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.*

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled ‘Key Industry Regulations and Policies’ on page no. 106 of this Draft Red Herring Prospectus.*

### **I. Approvals for the Issue:**

The following approvals have been obtained or will be obtained in connection with the Issue.

#### **Corporate Approvals:**

1. Our Board has pursuant to a resolution passed at its meeting dated on March 15, 2016, under Section 62(1)(c) of the Companies Act 2013, authorized the Issue of Equity Shares, subject to the approval of the shareholders and such other authorities as may be necessary.
2. Our Shareholders have pursuant to a special resolution passed at their meeting dated March 16, 2024 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013, authorized the Issue of Equity Shares.
3. Our Board approved this Draft Red Herring Prospectus pursuant to its resolution dated March 30, 2024.

#### **Approval from the Stock Exchange:**

4. Our Company has received in- principle listing approval from the NSE Emerge dated [●] for listing of Equity Shares issued pursuant to the issue.

#### **Agreements with CDSL and NSDL:**

5. Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;
6. Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
7. The Company's International Securities Identification Number (“ISIN”) is INE0UL701015.

### **II. Incorporation related Approvals:**

<b>Sr. No</b>	<b>Nature of Registration/ License</b>	<b>Registration/ License No.</b>	<b>Applicable Laws</b>	<b>Issuing Authority</b>	<b>Date of Issue</b>	<b>Date of Expiry</b>
1.	Certificate of	U26933RJ2013PTC04223	Company	Registrar of	April 23,	Valid till

	Incorporation in the name of Shubhshree Bricks Pvt Ltd.	2	s Act, 1956	Companies, Rajasthan	2013.	cancelle d
2.	Fresh Certificate of Incorporation consequent upon change of name from Shubhshree Bricks Pvt Ltd to Shubhshree Biofuels Energy Private Limited.	U26933RJ2013PTC04223 2	Companie s Act, 2013	Registrar of Companies, Rajasthan	October 30, 2023	Valid till cancelle d
3.	Fresh Certificate of Incorporation consequent upon conversion from Shubhshree Biofuels Energy Private Limited to Shubhshree Biofuels Energy Limited.	U38210RJ2013PLC04223 2	Companie s Act, 2013	Registrar of Companies, Rajasthan	February 01, 2024	Valid till cancelle d

**III. Corporate/General Authorizations:**

Sr. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AASCS9615G	Income Tax Act 1961	Commissioner of Income Tax	May 04, 2013; last amended February 24, 2024	Valid till cancelle d
2.	Tax Deduction Account Number (TAN)	JPRS15114B	Income Tax Act 1961	Income Tax Department, Government of India	March 29, 2024	Valid till cancelle d
3.	GST Registration Certificate –  Valid for its registered office and factory situated in Jaipur	08AASCS9615G1Z R	Central Goods and Services Tax Act, 2017 and Rajasthan Goods and Services Tax Act, 2017	Government of India and Government of Rajasthan	Date of Validity: - July 01, 2017 Last amended March 09, 2024	Valid till cancelle d
4.	Certificate of Importer –Exporter Code (IEC)	AASCS9615G	Foreign Trade (Development & Regulation) Act, 1992	Add. Director General of Foreign Trade, Directorate General of Foreign Trade, Ministry of Commerce and Industry	June 22, 2023 Last amended March 28, 2024	Valid till cancelle d

**IV. Business Related Certifications:**

Sr. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1	Udyam Registration under Micro, Small and Medium Enterprises Development Act, 2006 (Small Enterprise)	UDYAM-RJ-17-0066257	The Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small & Medium Enterprises	May 12, 2021; Last amended March 11, 2024	Valid till Cancelled

**V. Labour Related Licenses**

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1	Registration under Employees' State Insurance (ESIC)	15000993030000999	Employees State Insurance Act, 1948	Employees State Insurance Corporation, Rajasthan	September 15, 2023; Effective from August 01, 2023	Valid till Cancelled
2	Registration under Employee Provident Scheme	RJRAJ3072771000	Employee Provident Fund Scheme 1952	Employee Provident Fund Organization	September 15, 2023; Effective from August 01, 2023	Valid till Cancelled

**VI. Intellectual Property related approvals: -**

Sr. No.	Brand Name/Logo/ Trademark	Class	Nature of Trademark	Owner	Application Number and Date	Status
1.		4	Device	Shubhshree Biofuels Energy Limited	10376165 29/03/2024	Applied

**VII. Domain Name**

Sr. No	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name	Creation Date	Registry Expiry Date
1.	<b>Domain Name:</b> <a href="http://shubhshreebricks.in">shubhshreebricks.in</a> <b>Domain ID:</b> DC3C27307733B402E97293EDAFF8859 14-IN	<b>Registrar:</b> GoDaddy.com, LLC <b>IANA ID:</b> 146	<b>Registrant Name:</b> <a href="http://whois.godaddy.com">whois.godaddy.com</a> <b>Registrar URL:</b> <a href="https://www.godaddy.com">https://www.godaddy.com</a>	June 14, 2023	June 14, 2026

			<u>om</u>		
2.	<p><b>Domain Name:</b> <u>Shubhshreebiofuels.co.in</u></p> <p><b>Domain ID:</b> DB7EB47FF69CE48658049566B7A6CB 03E-IN</p>	<p><b>Registrar:</b> GoDaddy.com, LLC</p> <p><b>IANA ID:</b> 146</p>	<p><b>Registrant Name:</b> <u>whois.godaddy.com</u></p> <p><b>Registrar URL:</b> <u>https://www.godaddy.com</u></p>	October 31, 2023	October 31, 2024

**VIII. Quality Certifications:**

Sr. No.	Nature of Registration/License	Registration/License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Registration (Quality Management System) ISO 9001:2015 scope of activities: Manufacturer Of Biomass Briquettes & Pellets	305024011915Q	Quality Management Systems	ORO Quality Research Organization  (QRO Certification LLP)	January 19, 2024	January 18, 2027

**IX. Licenses / approvals which are yet to be applied by Company:**

1. Our Company yet to apply for registration of Factory License for factory situated at Niwai, consent to Operate under Air (Prevention and Control of Pollution), 1981 and registration under Contract Labour (Regulation & Abolition) Act, 1970. For further details please see "Risk Factor" beginning on page 25 of this Draft Red Herring Prospectus.

**X. Licenses/ Approvals for which applications have been made by our Company and are pending:**

Sr. No.	Nature of Registration/License	Application number	Applicable Laws	Issuing Authority	Date of Issue
1	Registration under the Rajasthan Shops and Commercial Establishments Act, 1958	SCA/2024/14/133442	Rajasthan Shops and Commercial Establishments Act, 1958	Inspector, Department of Labour,	March 29, 2024
2	Consent to establish under Air (Prevention and Control of Pollution), 1981	368695	Air (Prevention and Control of Pollution), 1981	Rajasthan State Pollution Control Board	March 30, 2024

### **OUR GROUP COMPANIES**

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period (if any) and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated March 23, 2024 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group companies if such company fulfills both the below mentioned conditions:-

- i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
- ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Except as stated, 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.

1. Trioventure Media Private Limited.
2. Shubh Colonizers Private Limited.

#### **Details of our Group Companies:**

##### **1. Trioventure Media Private Limited. (“TMPL”)**

Trioventure Media Private Limited was incorporated on May 15, 2021 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, ROC Jaipur, Rajasthan.

<b>CIN</b>	U74999RJ2021PTC074979
<b>PAN</b>	AAICT6186B
<b>Registered Office</b>	A-117, Manu Path Shyam Nagar, Jaipur, Jaipur, Rajasthan, India, 302019

##### **2. Shubh Colonizers Private Limited (SCPL).**

Shubh Colonizers Private Limited was incorporated on May 17, 2010 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, ROC Jaipur, Rajasthan.

<b>CIN</b>	U45201RJ2010PTC031826
<b>PAN</b>	AAOCS2157F
<b>Registered Office</b>	F-12/13, Rastradoot Press Building Chameliwala Market, M.I. Road, Jaipur, Rajasthan, India, 302001

#### **Financial Information**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group companies are available on the website of our company at <https://shubhshreebiofuels.co.in/>

It is clarified that such details available on our group companies’ websites do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Companies’ website, as mentioned above, would be doing so at their own risk.

#### **Other Confirmations:**

- a) None of the Group companies listed on any stock exchange nor any of the Group Companies has made any public and/or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- d) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

#### **Common pursuits among Group Companies**

There are no common pursuits among any of our Group Companies and our Company:

#### **Nature and extent of interest of our Group Companies**

##### **a) Interest in the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company.

##### **b) Interest in the property acquired or proposed to be acquired by the Company**

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

##### **c) Interest in transactions for acquisition of land, construction of building, or supply of machinery**

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

#### **Related business transactions and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section “Other Financial Information –Related Party Transactions” on page 165, there are no related business transactions between the Group Companies and our Company.

#### **Business interest of our Group Companies in our Company**

Except as disclosed in the section “Other Financial Information –Related Party Transactions” on page 165, our Group Companies have no business interests in our Company.

#### **Litigations**

Except as disclosed in the section “Outstanding litigations and material developments” on page 190. Our Group Companies have no litigation proceedings.

#### **Undertaking / Confirmations by our Group Companies**

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by

the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies /Promoter Group entities have been declared as a willful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

*The information as required by the SEBI ICDR Regulations with regards to the Group companies, are also available on the website of our company i.e. <https://shubhshreebiofuels.co.in/>*

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue:**

#### **Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on March 15, 2024 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on March 16, 2024 authorized the Issue.

#### **In-principle Approval:**

Our Company has obtained in-principle approval from the NSE Emerge for using its name in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus pursuant to an approval letter dated [●] NSE is the Designated Stock Exchange.

### **Prohibition by SEBI or other Governmental Authorities:**

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as willful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are /were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or Director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

### **Association with Securities Market:**

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoters or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### **Prohibition by RBI:**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and

no such proceedings are pending against any of them except as details provided in the chapter "**Outstanding Litigations and Material Development**" beginning on page 190 of this Draft Red Herring Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

#### **Prohibition with respect to wilful defaulters or a fraudulent borrower**

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, our Directors, our Promoters and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

#### **Confirmations**

- i. Neither our company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- ii. Neither our promoters, nor any Directors of our company are a Promoter or director of any other company which is debarred from accessing the capital market by the Board
- iii. Neither our Company, nor our Promoters or our directors, is a Willful Defaulter or a fraudulent borrower.
- iv. Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.

#### **Eligibility for the Issue:**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees but less than 25 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "**NSE Emerge**").

#### **We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "**General Information – Underwriting**" beginning on page 47 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working 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 (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- c) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional

confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.

- d) In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE (NSE Emerge). For further details of the arrangement of market making please refer to section titled "**General Information – Details of the Market Making Arrangements for this Issue**" beginning on page 47 of this Draft Red Herring Prospectus.
- e) In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board.
- f) In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board.
- g) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.
- h) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoter or directors is a fugitive economic offender.
- i) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to Emerge Platform of NSE ("NSE Emerge") is the Designated Stock Exchange.
- j) In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
- l) In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

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.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated [●] and National Securities Depository Limited dated [●] for establishing connectivity.
2. Our Company has a website i.e. [www.shubhshreebiofuels.co.in](http://www.shubhshreebiofuels.co.in)
3. There has been no change in the promoters of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
4. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.
5. There has been no change in the promoter(s) having significant change in control over the affairs of the Company in the one year preceding the date of filing application to Emerge Platform of NSE.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of NSE (NSE Emerge): -

1. Our Company was incorporated as ‘Shubhshree Bricks Private Limited’ under the Companies Act, 1956, pursuant to a certificate of incorporation dated April 23, 2013, issued by the RoC, Rajasthan, Jaipur having CIN as U26933RJ2013PTC042232. Further, pursuant to the special resolution passed by the shareholders in the Extra Ordinary General Meeting held on October 9, 2023 the name of our Company was changed from “Shubhshree Bricks Private Limited” to “Shubhshree Biofuels Energy Private Limited” and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Rajasthan, Jaipur dated October 30, 2023. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed by the shareholders of our Company on January 18, 2024 and the name of the Company was changed from “Shubhshree Biofuels Energy Private Limited” to “Shubhshree Biofuels Energy Limited” vide fresh certificate of incorporation dated February 1, 2024 issued by the Registrar of Companies, Rajasthan, Jaipur. The Corporate identification number of our Company is U38210RJ2013PLC042232
2. As on the date of this Draft Red Herring Prospectus, the Company has a Paid-up Capital of Rs 385.00 Lakhs and the Post Issue Capital will be of Rs. 524.20 Lakhs which is less than Rs. 25 Crores.
3. The Company confirms that it has track record of more than 3 years.
4. As on September 30, 2023, the Company has net tangible assets of ₹ 859.62 Lakhs.
5. The company/entity has 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 as on September 30, 2023 and March 31, 2023, 2022 and 2021.

**(In Rs. Lacs)**

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth	393.11	256.50	14.12	(13.35)
Operating profit (earnings before interest, depreciation, Profit/(loss) from sale of Fixed Assets and tax)	139.64	225.90	34.21	1.08

6. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the Company;
  7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies
  8. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016
  9. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers
  10. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
  11. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
  12. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
- 1) We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.
- ii. There is no default in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
- iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies) except as stated in the section titled **“Outstanding Litigation and Material Developments”** beginning on page 190 of this Draft Red Herring Prospectus.
- iv. There are no criminal cases/investigation/offences filed against the director of the company except as stated in the section titled **“Outstanding Litigation and Material Developments”** beginning on page 190 of this Draft Red Herring Prospectus.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2024.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / 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 BRLM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai, Maharashtra in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Hem Securities Limited (SME IPO's):**

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	Deepak Chemtex Limited	23.04	80.00	December 06, 2023	152.00	44.19% [3.41%]	6.25% [5.78%]	N.A.
2.	S J Logistics (India) Limited	48.00	125.00	December 19, 2023	175.00	77.36% [0.04%]	126.64% [2.81%]	N.A.
3.	Siyaram Recycling Industries Limited	22.96	46.00	December 21, 2023	55.00	124.07% [-0.70%]	60.96% [2.81%]	N.A.
4.	Shanti Spintex Limited	31.25	70.00	December 27, 2023	76.00	9.19% [-0.13%]	-25.41% [0.59%]	N.A.
5.	Shri Balaji Valve Components Limited	21.60	100.00	January 03, 2024	190.00	129.25% [1.56%]	N.A.	N.A.
6.	New Swan Multitech Limited	33.11	66.00	January 18, 2024	124.47	44.47% [2.14%]	N.A.	N.A.
7.	Harshdeep Hortico Limited	19.09	45.00	February 05, 2024	70.00	5.33% [3.28%]	N.A.	N.A.
8.	Megatherm Induction Limited	53.91	108.00	February 05, 2024	198.00	168.89% [3.23%]	N.A.	N.A.
9.	Sona Machinery Limited	51.82	143.00	March 13, 2024	125.00	N.A.	N.A.	N.A.
10.	Enfuse Solutions Limited	22.44	96.00	March 22, 2024	115.00	N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

- 1) The scrip of Deepak Chemtex Limited, S J Logistics (India) Limited, Siyaram Recycling Industries Limited & Shanti Spintex Limited have not completed its 180<sup>th</sup> days from the date of listing; Shri Balaji Valve Components Limited, New Swan Multitech Limited, Harshdeep Hortico Limited & Megatherm Induction Limited have not completed its 90<sup>th</sup> day from the date of listing and Sona Machinery Limited & Enfuse Solutions Limited have not completed its 30<sup>th</sup> day from the date of listing.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPO	Total amount of funds	No. of trading discount-calendar days	No. of IPOs at 30 <sup>th</sup> days	No. of trading Premium-calendar days	No. of IPOs at 30 <sup>th</sup> days	No. of trading discount-calendar days	No. of IPOs at 180 <sup>th</sup> days	No. of trading Premium-calendar days	No. of IPOs at 180 <sup>th</sup> days
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	s	raised (₹ Cr.)	from listing											
			Over 50%	Between 25-50%	Less than 25%									
2021-22	6 <sup>(1)</sup>	130.40	-	-	-	4	-	2	-	-	-	6	-	-
2022-23	15 <sup>(2)</sup>	220.57	-	-	-	6	6	3	-	-	-	12	-	3
2023-24	21 <sup>(3)</sup>	680.45	-	-	-	12	4	3	-	-	1	4	1	1

- 1) The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021 and March 28, 2022 respectively;
- 2) The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metallics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023;
- 3) The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023, Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics (India) Limited was listed on December 19, 2023, Siyaram Recycling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024, New Swan Multitech Limited was listed on January 18, 2024, Harshdeep Hortico Limited was listed on February 05, 2024, Megatherm Induction Limited was listed on February 05, 2024, Sona Machinery Limited was listed on March 13, 2024 and Enfuse Solutions Limited was listed on March 22, 2024.

**Note:**

- Based on date of listing.
- BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- Prices on BSE/NSE are considered for all of the above calculations.
- 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 next trading day has been considered.
- In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- N.A. – Period not completed.
- As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running lead manager. Hence, disclosures pertaining to recent 10 issues handled by book running lead manager are provided.

**Track Record of past issues handled by Hem Securities Limited:**

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company and the Book Running Lead Manager:**

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made

otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Hem Securities Limited) and our Company on March 18, 2024 and the Underwriting Agreement dated March 18, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated March 18, 2024 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our 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, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**Disclaimer in Respect of Jurisdiction:**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2,500.00 Lakhs and pension funds with a minimum corpus of Rs.2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Jaipur, Rajasthan only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this

date.

**Disclaimer Clause of the SME Platform of NSE (NSE Emerge):**

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 [●] 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 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 Promoter, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act:**

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 under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

The Draft Red Herring Prospectus is being 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 will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document 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 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 contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 was filed to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>

**Listing:**

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on NSE Emerge (SME Platform of NSE).

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE (NSE Emerge) mentioned above are taken within three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

**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-

- i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- ii. 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
- iii. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

**Consents:**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker to the Issue (Sponsor Bank)\*, Legal Advisor to the Issue, Underwriter to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

*\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Ravi Sharma & Co, Chartered Accountants, Statutory Auditor and Peer Review Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and Restated financial statements as included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

**Experts Opinion:**

Except for the reports in the section “***Financial Information of the Company***” and “***Statement of Special Tax Benefits***” on page 140 and page 84, Our company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Draft Red Herring Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b)

Statement of Tax Benefits (c) Statement of Financial Indebtedness and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

**Fees, Brokerage and Selling Commission payable:**

The total fees payable to the Book Running Lead Manager will be as per the (i) Book Running Lead manager Agreement dated March 18, 2024 with the Book Running Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated March 18, 2024 with Underwriter and (iii) the Market Making Agreement dated March 18, 2024 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

**Fees Payable to the Registrar to the Issue:**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated March 22, 2024 a copy of which is available for inspection at our Company’s corporate Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years:**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 58 of this Draft Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 58 of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues:**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last 5 years.

**Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

**Performance vis-a-vis objects – Public/right issue of our Company:**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 58 our Company has not undertaken any previous public or rights issue.

**Performance vis-a-vis objects - Last Issue of Subsidiary Companies:**

As on the date of this Draft Red Herring Prospectus, our Subsidiary Companies have not undertaken any public issue.

**Option to Subscribe:**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares:**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

**Partly Paid-Up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments:**

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

**Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

**Mechanism for Redressal of Investor Grievances:**

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of this Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

**Disposal of Investor Grievances by our Company:**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed **Aakrati Singhania**, as Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Aakrati Singhania**

**Company Secretary & Compliance Officer**

**Shubhshree Biofuels Energy Limited**

**Address:** Plot No. 8 Ganesh Vihar B, Pandit T.N Mishra Marg,  
Nirman Nagar, Shyam Nagar, Jaipur, Rajasthan, India, 302019.

**Tel. No.:** +91 9799998880

**Email:** [shubhshree@biomassfuel.co.in](mailto:shubhshree@biomassfuel.co.in)

**Website:** [www.shubhshreebiofuels.co.in](http://www.shubhshreebiofuels.co.in)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Our Board by a resolution on March 23, 2024 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “*Our Management*” beginning on page 120 of this Draft Red Herring Prospectus.

**Status of Investor Complaints:**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

**Disposal of investor grievances by listed companies under the same management as our Company:**

We do not have any listed company under the same management.

**Tax Implications:**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Special Tax Benefits*” beginning on page 84 of this Draft Red Herring Prospectus.

**Purchase of Property:**

Other than as disclosed in Section “*Our Business*” beginning on page 96 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

**Capitalization of Reserves or Profits:**

Except as disclosed under section titled “*Capital Structure*” beginning on page 58 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time last five (5) years.

**Revaluation of Assets:**

Our Company has not revalued its assets since last five (5) year.

**Servicing Behavior:**

Except as stated in this Draft Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company:**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 120 and chapter titled “*Financial Information*” beginning on page 140 none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any:**

Not Applicable

## **SECTION VIII: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, 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 all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application for Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of upto 13,92,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 15, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 16, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, ‘**Main Provisions of Article of Association**’, beginning on page 260 of this Draft Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled “**Dividend Policy**” and “**Main Provisions of Article of Association**” beginning on page 139 and 260 respectively of this Draft Red Herring Prospectus.

### **Face Value and Issue Price**

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size were decided by our Company in consultation with the BRLM, and has been advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Jaipur edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 website of the Stock Exchange. The Issue Price shall be determined by our Company and 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. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 260 of this Draft Red Herring Prospectus.

### **Allotment only in Dematerialized Form**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated [●] between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated [●] between CDSL, our Company and Registrar to the Issue.

### **Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge (NSE EMERGE) 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 is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the 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 the monies collected shall be unblocked forthwith.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Jaipur, Rajasthan.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **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.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or

(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Period of Subscription List of Public Issue**

<b>Event</b>	<b>Indicative Dates</b>
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account*	On or about [●]
Credit of Equity Shares to Demat Accounts of Allottees	On or about [●]
Commencement of Trading of The Equity Shares on the Stock Exchange	On or about [●]

*The above time table is indicative and does not constitute any obligation on our Company. 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 NSE is taken within Three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company 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.*

**Note** <sup>1</sup>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

<sup>2</sup>Our Company in consultation with the BRLM, 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 delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four 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 four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. 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.

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 three 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 Application

Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Applicants on Bid/ Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and NSE taking into account the total number of applications received up to the closure of timings.

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 Book Running Lead Manager 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 Book Running Lead Manager 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 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 Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ 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 Book Running Lead Manager is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI (ICDR) Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

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

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of 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 Book Running Lead Manager, 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 Book Running Lead Manager 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 and Underwriting**

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 Offer 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 eight 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 terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

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). In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “***General Information - Underwriting***” on page 47 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour 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), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the SME Platform of NSE (NSE Emerge), wherein

the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled "***General Information - Details of the Market Making Arrangements for this Issue***" on page 47 of this Draft Red Herring Prospectus.

#### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of National Stock Exchange of India Limited.

#### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Allotment of Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

#### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled "***Capital Structure***" beginning on page 58 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "***Main Provisions of the Articles of Association***" beginning on page 260 of this Draft Red Herring Prospectus.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC

publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

**Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper 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 SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

**ISSUE STRUCTURE**

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten Crore rupees 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 *NSE Emerge (SME platform of NSE)*). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 214 and 226 of this Draft Red Herring Prospectus.

The present Initial Public Issue of upto 13,92,000 equity shares of face value of ₹ 10 each (“equity shares”) for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) (“issue price”) aggregating up to ₹ [●] lakhs of which up to [●] equity shares of face value of ₹ [●] each for cash at a price of ₹ [●] per equity share including a share premium of [●] per equity share aggregating to ₹ [●] will be reserved for subscription by market maker to the issue (the “market maker reservation portion”). The Issue comprises a reservation of up to [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker (“*the Market Maker Reservation Portion*”) and Net Issue to Public of up to [●] Equity Shares of ₹ 10 each (“*the Net Issue*”). The Issue and the Net Issue will constitute 26.55% and [●] %, respectively of the post Issue paid up equity share capital of the Company.

This Issue is being made by way of Book Building Process.

<b>Particulars of the Issue<sup>(2)</sup></b>	<b>Market Maker Reservation Portion</b>	<b>QIBs<sup>(1)</sup></b>	<b>Non-Institutional Investors</b>	<b>Retail Individual Investors</b>
<b>Number of Equity Shares available for allocation</b>	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not less than [●] Equity Shares
<b>Percentage of Issue Size available for allocation</b>	[●] % of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35.00% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
<b>Basis of Allotment<sup>(3)</sup></b>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any,

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
		<p>allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which One-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.</p>		shall be allotted on a proportionate basis.
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.			
<b>Minimum Bid Size</b>	[●] 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 and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
<b>Maximum Bid Size</b>	[●] 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 Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Terms of Payment</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. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			

<b>Particulars of the Issue<sup>(2)</sup></b>	<b>Market Maker Reservation Portion</b>	<b>QIBs<sup>(1)</sup></b>	<b>Non-Institutional Investors</b>	<b>Retail Individual Investors</b>
<b>Mode of Bid</b>	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

- (1) 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.*
- (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.*
- (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.*

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on pages 226 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### **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 filing of Draft Red Herring Prospectus/ Red Herring Prospectus with ROC.

### Issue Program

Event	Indicative Dates
Bid/ Issue Opening Date	[●] <sup>1</sup>
Bid/ Issue Closing Date	[●] <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	[●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	[●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	[●]

*Note <sup>1</sup>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.*

*<sup>2</sup>Our Company in consultation with the BRLM, 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.*

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 Centres mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded 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-Cum- Application 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 bank holidays).

## **ISSUE PROCEDURE**

All Applicants should review 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. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allotment; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI 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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 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 RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+3 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+3 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 Issues and redressing investor grievances. This circular is effective for initial public Issues 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 Issue 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.

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>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited ("NSE EMERGE") to act as intermediaries for submitting Application Forms are provided on [www1.nseindia.com/emerge](http://www1.nseindia.com/emerge) For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited ("NSE EMERGE"). Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus and Red Herring Prospectus. Further, the Company and the LM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Issue of inter alia, equity shares. Pursuant to the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("Previous UPI Circulars") and the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public Issue closure to listing from three Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars and the Previous UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public Issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be three Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public Issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public Issue closure to listing continues to be three Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all Issues opening on or after September 1, 2023 and on a mandatory basis for all Issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public 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

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs Offering facility of making application in public Issues shall also provide facility to make application using the UPI Mechanism. The Issuers 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 Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 253 of SEBI ICDR Regulations, 2018, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the 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 spill over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.***

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the 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 authorization 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

Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. 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 Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

<b>Category</b>	<b>Colour</b>
Anchor Investor	[•]
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a Non-repatriation basis. (ASBA)	[•]
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[•]

*\*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 Draft 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”)

<b>Sr. No.</b>	<b>Designated Intermediaries</b>
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 Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **Availability of Draft 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 DRHP 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 Kartal. 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 Rs. 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 Rs. 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 Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 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 Rs. 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 Rs. 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 Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares 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 Jaipur Edition of Regional newspaper [●] 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 [●], all editions of Hindi national newspaper [●] and Jaipur Edition of Regional newspaper [●] 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 226 of this Draft Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public 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, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the 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 Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Draft 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 Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.

3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Draft 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 Draft 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) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 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 ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

- Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).
- Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the 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 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client nor An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

**BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

**BIDS BY HUFs:**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

**BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

**BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

**BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

**BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

**BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act,

2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form

- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE 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 Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire 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: “**SHUBHSHREE BIOFUELS ENERGY LIMITED – ANCHOR ACCOUNT – R**”
- b. In case of Non-Resident Anchor Investors: “**SHUBHSHREE BIOFUELS ENERGY 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 Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the 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 offer an electronic facility for registering applications for the Issue. This facility will be 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:

<b>S. No.</b>	<b>Details*</b>
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 a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft 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 Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft 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 5.00 p.m. on 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 centres 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 spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the 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.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
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 finalize the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

- a) Our company has entered into an Underwriting Agreement dated March 18, 2024.
- b) A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Draft 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.

### **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.

### **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 Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
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;
6. If the first applicant is not the 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;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
  8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
  9. 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;
  10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
  11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
  12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) 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;
  14. Ensure that the Demographic Details are updated, true and correct in all respects;
  15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
  16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  17. Ensure that the category and the investor status is indicated;
  18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
  19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
  20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
  21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
  22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
  23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
  24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
  25. 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 via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by 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 submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed Rs. 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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 Applicant;
14. 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;
15. 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);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Other instructions for the Bidders**

**Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB

or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

### **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **Submission of Bids**

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

### **GROUNDS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders),the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;

- Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the BID.

**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 DRHP. 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 DRHP. 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.

**c) 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

**d) 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.

**e) 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 finalize the Basis of Allotment in consultation with the National Stock Exchange of India Limited (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.
- d) 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.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] 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 DRHP.

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 4 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 4 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 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 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 National Stock Exchange of India Limited (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.

**Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

**Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

**“Any person who-**

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

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**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter 's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

**Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

**Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
- b) Tripartite Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0UL701015.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

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 Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the 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 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 ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 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. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore

transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.*

## **SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY**

*Pursuant to Schedule I of the Companies Act, and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.*

*The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on March 16, 2024. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.*

### **INTERPRETATION**

- I 1. In these regulations-
  - a. "the Act" means the Companies Act, 2013,
2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2.
  - i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-
    - a. one certificate for all his shares without payment of any charges; or
    - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
  - ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon.
  - iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3.
  - i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
  - ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other

rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5.
  - i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6.
  - i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **LIEN**

9.
  - i. The company shall have a first and paramount lien
    - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
    - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
  - ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
  - iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-
  - a. unless a sum in respect of which the lien exists is presently payable; or
  - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11.
  - i. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof
  - ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12.
  - i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
  - ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES**

13.
  - i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - iii. A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

17.
  - i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board -
  - a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and

- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **TRANSFER OF SHARES**

- 19.
  - i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
  - ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
  - iii. That a common form of transfer shall be used
- 20.
  - i. The Board may, subject to the right of appeal conferred by section 58 decline to register—
  - ii. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - iii. any transfer of shares on which the company has a lien.
- 21. The Board may decline to recognize any instrument of transfer unless—
  - a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c. the instrument of transfer is in respect of only one class of shares.
  - d. That registration of 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 Issuer on any account whatsoever
- 22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **TRANSMISSION OF SHARES**

- 23.
  - i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares
  - ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
  - iii. That a common form of transmission shall be used
- 24.
  - i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
    - a. to be registered himself as holder of the share; or
    - b. to make such transfer of the share as the deceased or insolvent member could have made.

- ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 25.
- i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
  - ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
  - iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **FORFEITURE OF SHARES**

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or 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.
28. The notice aforesaid shall-
- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 30.
- i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 31.
- i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

- ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32.
  - i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
  - ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - iii. The transferee shall thereupon be registered as the holder of the share; and
  - iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF CAPITAL**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution-
  - i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
  - iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
  - v. Permission for sub-division/ consolidation of share certificates
36. Where shares are converted into stock,—
  - the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
  - Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up)

shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law-
- it share capital;
  - any capital redemption reserve account; or
  - any share premium account.

### **CAPITALISATION OF PROFITS**

38. The company in general meeting may, upon the recommendation of the Board, resolve-
- i. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
  - ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - iii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
    - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - b. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
    - c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - iv. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - v. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all
  - b. allotments and issues of fully paid shares if any; and
  - c. generally do all acts and things required to give effect thereto.
- ii. The Board shall have power-
- a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - b. to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- iii. Any agreement made under such authority shall be effective and binding on such members

#### **BUY-BACK OF SHARES**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL MEETINGS**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
42. i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
- ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

43. i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **ADJOURNMENT OF MEETING**

47. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii. 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.
- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **VOTING RIGHTS**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- i. on a show of hands, every member present in person shall have one vote;

- ii. and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
  - iii. That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. 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.
52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54. i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **PROXY**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **BOARD OF DIRECTORS**

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The following are the First Directors of the Company:

1. Anurag Agarwal
2. Mohini Jain
3. Saket Dalmia

59. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

- 64.
- i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
  - ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **PROCEEDINGS OF THE BOARD**

65. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

- 66.
- i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
  - ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
69. i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. i. A committee may elect a Chairperson of its meetings.
- ii. If no such Chairperson is elected, or if at any meeting the 72 Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. i. A committee may meet and adjourn as it thinks fit.
- ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR  
CHIEF FINANCIAL OFFICER**

74. 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
75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

**DIVIDENDS AND RESERVE**

76. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
77. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
78. i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
79. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.
80. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
81. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
82. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
83. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
84. No dividend shall bear interest against the company.

## **ACCOUNTS**

85. i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

#### **WINDING UP**

86. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **INDEMNITY**

87. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **SECTION IX – 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 the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the corporate office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

#### **Material Contracts**

1. Agreement dated March 18, 2024 between our Company and the Book Running Lead Manager to the Issue.
2. Agreement dated March 22, 2024 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated March 18, 2024 between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated March 18, 2024 between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated [●] among our Company, the BRLM and Syndicate Member.
7. Tripartite Agreement dated [●] among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated [●] among NSDL, the Company and the Registrar to the Issue.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated April 23, 2013 issued by the Registrar of Companies, Jaipur, Rajasthan.
3. Fresh Certificate of Incorporation dated October 30, 2023 issued by the Registrar of Companies, Jaipur, Rajasthan pursuant to the change in name of the Company.
4. Fresh Certificate of Incorporation dated February 1, 2024 issued by the Registrar of Companies, Jaipur, Rajasthan consequent upon Conversion of the Company from Private to Public Company.
5. Copy of the Board Resolution dated March 15, 2024 authorizing the Issue and other related matters.
6. Copy of Shareholder's Resolution dated March 16, 2024 authorizing the Issue and other related matters.
7. Copies of Audited Financial Statements of our Company for the period ending on September 30, 2023 and for financial year ended March 31, 2023, 2022 and 2021.
8. Statutory Auditors Report dated January 10, 2024 on the Restated Financial Statements for the period ending on September 30, 2023 and financial years ended March 31, 2023, 2022 and 2021.
9. Copy of the Statement of Tax Benefits dated March 22, 2024 from the Statutory Auditor.
10. Certificate on KPIs issued by our Statutory Auditors dated March 22, 2024
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Syndicate Member, Underwriter, Banker to the Issue/ Sponsor Bank, Statutory Auditor of the Company, Peer review Auditor of the Company, Bankers to our Company, Promoters, Directors, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated March 30, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus dated [●] for approval of Prospectus.
13. Due Diligence Certificate from Lead Manager dated March 30, 2024.
14. Approval from NSE vide letter dated [●] to use the name of NSE in the Prospectus for listing of Equity Shares on the NSE Emerge (SME Platform) of the National Stock Exchange of India Limited.

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Sagar Agrawal Chairman & Managing Director DIN: 03209247	

Date: March 30, 2024  
Place: Jaipur, Rajasthan

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Anurag Agarwal Whole Time Director DIN: 03062155	

Date: March 30, 2024  
Place: Jaipur, Rajasthan

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Aastha Agarwal Non-Executive Director DIN: 07172285	

Date: March 30, 2024  
Place: Jaipur, Rajasthan

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Upasana Srivastava Dattani Non-Executive Director. DIN: 10371597	

Date: March 30, 2024  
Place: Jaipur, Rajasthan

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Rajesh Jain Independent Director DIN: 06735031	

Date: March 30, 2024  
Place: Jaipur, Rajasthan

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Vijay Kumar Jain Independent Director DIN: 02193271	

Date: March 30, 2024  
Place: Jaipur, Rajasthan

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Jitendra Kumar Kumawat Chief Financial Officer PAN: DPDPK0520J	

Date: March 30, 2024  
Place: Jaipur, Rajasthan

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Aakrati Singhania Company Secretary & Compliance officer M. No. : A-68462	

Date: March 30, 2024  
Place: Jaipur, Rajasthan