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# Malaxmi

Draft Prospectus  
Dated: March 29, 2025  
Please read section 26 & 32 of the  
Companies Act, 2013  
This Draft Prospectus will be  
updated upon filing with RoC  
Fixed Price Issue

**CHIRAHARIT LIMITED**  
(Formerly known as Chiraharit Private Limited)  
CIN: U29100TG2006PLC050818

Registered & Corporate Office	Contact Person	Email and Telephone	Website
Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104	Mr. Dixitula Venkata Kama Dixitulu Company Secretary & Compliance Officer	E-mail: <a href="mailto:cs@chiraharit.com">cs@chiraharit.com</a> Tel No: +91 7738561210	<a href="https://chiraharit.com/#">https://chiraharit.com/#</a>

**NAMES OF PROMOTERS OF THE COMPANY**

(i) Mr. Pavan Kumar Bang, (ii) Mrs. Tejaswini Yarlagadda and (iii) Mr. Venkata Ramana Reddy Gaggenapalli

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

Type	Fresh Issue Size	OFS Size	Total Issue Size	Eligibility – 229(1) / 229(2) & Share Reservation amount QIB, NII & RII
Fresh Issue	Up to 1,48,00,000 Equity Shares aggregating to ₹ 3,848.00 Lakhs	Nil	Up to 1,48,00,000 Equity Shares aggregating to ₹ 3,848.00 Lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations, as the Company's post issue Paid-up capital would be less than ₹10.00 Crores (Rupees Ten Crores). <b>Share Reservation:</b> Minimum 50% to the Individual Investors of “Net Issue” Minimum 5% to the Market Maker of “Issue”

OFS: Offer for Sale

**Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders: - NIL -**

**RISKS IN RELATION TO THE FIRST ISSUE** – The face value of the Equity Shares is ₹1/- each. The Issue Price of ₹26/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis for Issue Price” on page 83 of this draft prospectus) 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 or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in 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 Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 23 of this Draft Prospectus.


**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 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 of our company issued through this Draft Prospectus are proposed to be listed on the **SME Platform of BSE Limited (“BSE SME”)**. For the purpose of this Issue, **BSE Limited (“BSE”)** is the **Designated Stock Exchange**.

**LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	E-mail & Telephone
 <b>FINSHORE</b> Creating Enterprise Managing Values <b>FINSHORE MANAGEMENT SERVICES LIMITED</b>	S. Ramakrishna Iyengar	Email: <a href="mailto:info@finshoregroup.com">info@finshoregroup.com</a> Telephone: 033 – 2289 5101 / 4603 2561

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	E-mail & Telephone
 <b>BIGSHARE SERVICES PRIVATE LIMITED</b>	Mr. Babu Rapheal C	Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Telephone: 022 – 6263 8200

**ISSUE PROGRAMME**

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]



**Draft Prospectus**  
**Dated: March 29, 2025**  
**Please read section 26 & 32 of the**  
**Companies Act, 2013**  
**This Draft Prospectus will be**  
**updated upon filing with RoC**  
**Fixed Price Issue**

## CHIRAHARIT LIMITED

*(Formerly known as Chiraharit Private Limited)*

Our company was originally incorporated as a Private Limited Company under the name and style of "*Brahmani Ventures Private Limited*" in accordance with the Companies Act, 1956 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Andhra Pradesh on August 04, 2006 with the corporate identification number (CIN) being U45101AP2006PTC050818. Later, the name of the Company has been changed to "*Chiraharit Agro Farms Private Limited*" in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on September 18, 2015 with the corporate identification number (CIN) being U01403TG2006PTC050818. Further, the name of the Company was once again changed to "*Chiraharit Private Limited*" in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on May 30, 2016 with the corporate identification number (CIN) being U29100TG2006PTC050818. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to "*Chiraharit Limited*" vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 02, 2024, bearing Corporate Identification Number U29100TG2006PLC050818, issued by Central Processing Centre. For further details of change in name and registered office of our company, please refer to section titled "*Our History and Certain Corporate Matters*" beginning on page no 143 of this Draft Prospectus.

**Registered & Corporate Office:** Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104

**Contact Person:** Mr. Dixitula Venkata Kama Dixitulu, Company Secretary & Compliance Officer; **Tel No:** +91 7738561210,

**E-Mail ID:** [cs@chiraharit.com](mailto:cs@chiraharit.com), **Website:** <https://chiraharit.com/#>; **CIN:** U29100TG2006PLC050818

**OUR PROMOTERS:** (I) Mr. Pavan Kumar Bang, (II) Mrs. Tejaswini Yarlagadda and (III) Mr. Venkata Ramana Reddy Gaggenapalli

### THE ISSUE

INITIAL PUBLIC OFFER OF UP TO 1,48,00,000 EQUITY SHARES OF FACE VALUE OF ₹1/- EACH ("EQUITY SHARES") OF CHIRAHARIT LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹26/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹25/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 3,848.00 LAKHS ("THE ISSUE"), OF WHICH 7,40,000 EQUITY SHARES OF FACE VALUE OF ₹1/- EACH FOR CASH AT A PRICE OF ₹26/- PER EQUITY SHARE, AGGREGATING TO ₹ 192.40 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 1,40,60,000 EQUITY SHARES OF FACE VALUE OF ₹1/- EACH FOR CASH AT A PRICE OF ₹26/- PER EQUITY SHARE, AGGREGATING TO ₹ 3,655.60 LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.01 % AND 25.66 % RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.

**THE FACE VALUE OF THE EQUITY SHARE IS ₹1/- EACH AND THE ISSUE PRICE IS ₹ 26/- EACH i.e., 26 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 4,000 EQUITY SHARES**

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENT) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") READ WITH RULE 19(2)(b)(i) OF SCRR AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, 2018. (For further details please see "*The Issue*" beginning on page no. 46 of this Draft Prospectus.) A copy will be delivered for filing to the Registrar of Companies as required under sub-section 4 of Section 26 of the Companies Act, 2013.

In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about 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/DCR2/CIR/P/2019/133 dated November 08, 2019, Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. (For details in this regard, specific attention is invited to "*Issue Procedure*" beginning on page no. 270 of this Draft Prospectus.)

### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹1/- each and the issue price is 26 times of face value of the equity share. The issue price should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.

### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of "*Risk factors*" beginning on page no. 23 of this Draft Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue, which is material in the context of the issue, that the information contained in the offer document 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 make this document 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 of our company issued through this Draft Prospectus are proposed to be listed on the **SME Platform of BSE Limited**. In terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received an "*in-principle*" approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the BSE SME. For the purposes of the issue, the **Designated Stock Exchange** will be **BSE Limited ("BSE")**.

### LEAD MANAGER TO THE ISSUE

 **FINSHORE**  
*Creating Enterprise Managing Values*  
**FINSHORE MANAGEMENT SERVICES LIMITED**  
 Anandlok Building, Block-A, 2<sup>nd</sup> Floor, Room No. 207,  
 227 A.J.C Bose Road, Kolkata-700020, West Bengal, India  
**Telephone:** 033 – 2289 5101 / 4603 2561  
**Email:** [info@finshoregroup.com](mailto:info@finshoregroup.com)  
**Contact Person:** Mr. S. Ramakrishna Iyengar  
**Website:** [www.finshoregroup.com](http://www.finshoregroup.com)  
**Investor Grievance Email:** [investors@finshoregroup.com](mailto:investors@finshoregroup.com)  
**SEBI Registration No:** INM000012185  
**CIN No:** U74900WB2011PLC169377

### REGISTRAR TO THE ISSUE

 **BIGSHARE SERVICES PRIVATE LIMITED**  
 Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre,  
 Mahakali Caves Road, Andheri (East), Mumbai – 400093  
**Telephone:** 022-62638200  
**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com);  
**Contact Person:** Mr. Babu Rapheal C  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com);  
**Investor Grievance Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com);  
**SEBI Registration No:** INR000001385  
**CIN No:** U99999MH1994PTC076534

### ISSUE PROGRAMME

**ISSUE OPENS ON: [●]**

**ISSUE CLOSES ON: [●]**

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## SECTION I: DEFINITIONS AND ABBREVIATIONS

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto as amended from time to time.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

#### General Terms

TERMS	DESCRIPTIONS
“Chiraharit Limited”, “Chiraharit”, “CL” “The Company”, “Our Company”, “Issuer Company” or “Issuer”	Unless the context otherwise indicates or implies, <b>Chiraharit Limited</b> a public limited company incorporated under the provision of Companies Act, 1956 and having its Registered Office at Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104.
“we”, “our” or “us”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies.
Our Promoters or Promoters of the Company	The promoters of our company being <b>Mr. Pavan Kumar Bang, Mr. Venkata Ramana Reddy Gaggenapalli and Mrs. Tejaswini Yarlagadda.</b>
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed under Section titled “Our Promoters and Promoter Group”

#### Company Related Terms

TERMS	DESCRIPTIONS
“Articles” or “Articles of Association” or “AOA”	The Articles of Association of our Company, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 149 of this Draft Prospectus.
“Board of Director(s)” or “the/our Board”	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
“CFO” or Chief Financial Officer	The Chief Financial Officer of our company being “ <b>Mr. Gudla Rama Chandra Rao</b> ”
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956 and / or the Companies Act, 2013 as applicable.
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our company being “ <b>Mr. Dixitula Venkata Kama Dixitulu</b> ”
Corporate Social Responsibility committee	Corporate Social Responsibility committee in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 149 of this Draft Prospectus.
DIN	Directors Identification Number.
Director/Director(s)	The directors of our Company, unless otherwise specified
ED	Executive Director
Equity Shares	The Equity Shares of our Company of face value of ₹1/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Export	Export means taking goods out of India to a place outside India
Group Companies/Entities	Such companies with which there were related party transactions, during the period for which financial information is disclosed in this Draft Prospectus, which are covered under the applicable accounting standards and other companies as considered material by our Board, as identified in “Our Group Companies”
HUF	Hindu Undivided Family.



TERMS	DESCRIPTIONS
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India.
Import	Import means bringing goods into India from a place outside India
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013
IT Act	The Income Tax Act, 1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
ISIN	International Securities Identification Number In this case being <b>“INE12P101018”</b>
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations 2018, Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled <b>“Our Management”</b> beginning on page no. 149 of this Draft Prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI (ICDR) Regulations.
Memorandum/Memorandum of Association/MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled <b>“Our Management”</b> on page no. 149 of this Draft Prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Peer Review/Statutory Auditor	The Statutory Auditors of our Company having a valid Peer Review certificate in our case being <b>“M/s. G.P. Associates”</b> , 603, 6 <sup>th</sup> Floor, Plot No. 13, Cyber Heights, Road No. 2, Banjara Hills, Hyderabad - 500034, Telangana, India.
Promoters	Shall mean promoters of our Company as mentioned in this Draft Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as enlisted in the section titled <b>“Our Promoter and Promoter Group”</b> beginning on page no. 166 of this Draft Prospectus.
Registered Office	Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104.
Restated Financial Statement	Audited Financial Statements for Six months ended on September 30, 2024 and for the financial years ended on 31 <sup>st</sup> March 2024, 31 <sup>st</sup> March 2023 and 31 <sup>st</sup> March 2022, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
RoC/Registrar of Companies	The Registrar of Companies, Hyderabad, Telangana.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Senior Management	Senior Management means the officers and personnel of the issuer as defined in Regulation 2(1)(bbbbb) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. For details, please refer to section titled <b>“Our Management”</b> on page no. 149 of this Draft Prospectus.
Shareholders	Shareholders of our Company
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled <b>“Our Management”</b> on page no. 149 of this Draft Prospectus.
Wilful Defaulter(s) or Fraudulent Borrower(s)	A person or an issuer who or which is categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations 2018.

**Issue Related Terms**

TERMS	DESCRIPTIONS
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/Allotment of/ Allotted Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the draft prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this draft prospectus.
Application Supported by Blocked Amount/ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID.  Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Individual Investors who applies for minimum application size applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by Applicants for blocking the Bid Amount mentioned in the ASBA Form
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this draft prospectus.
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the draft prospectus.
ASBA Application Location(s)/Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <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> or at such other website as may be prescribed by SEBI from time to time
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being “[●]”
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, “ <i>Issue Procedure, - Basis of Allotment</i> ” beginning on page no. 270 of this draft prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> .
Broker to the Issue	All recognized members of the stock exchange of BSE would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays).

TERMS	DESCRIPTIONS
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	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.
Controlling Branches of SCSBs	Such branches of the SCSBs which coordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the 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 Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in terms of the draft prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated Stock Exchange	BSE Limited
Draft prospectus	The Draft prospectus dated March 29, 2025, issued in accordance with Section 26 & 32 of the Companies Act, 2013 filed with BSE Limited under SEBI (ICDR) Regulations.
DP	Depository Participant.
DP ID	Depository Participant's Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this draft prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the draft prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Equity Shares	Equity Shares of our Company of face value ₹1/- each.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.

TERMS	DESCRIPTIONS
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 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
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue/Public Issue/Issue Size Initial Public Issue/IPO	Public issue of <b>1,48,00,000</b> Equity Shares of face value of ₹1/- each of our Company for cash at a price of ₹26/- per Equity Share aggregating to ₹ <b>3,848.00 Lakhs</b> by our Company, in terms of this draft prospectus.
Issue Agreement	The Issue Agreement dated March 05, 2025 between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
Issue Opening Date	The date on which Issue Opens for Subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company being ₹26/- per Equity Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about the use of the Issue Proceeds please refer to Section titled <b>“Objects of the Issue”</b> beginning on page no. 70 of this draft prospectus.
Lead Manager/LM	means a merchant banker registered with the SEBI and appointed by the issuer to manage the issue and in case of a book-built issue, the lead manager(s) appointed by the issuer shall act as the lead manager(s) for the purposes of book building. Lead Manager to the Issue, in this case being <b>“M/s. Finshore Management Services Limited”</b> .
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being <b>“/●/”</b> who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	Up to <b>7,40,000</b> Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of ₹26/- per Equity Share aggregating to ₹ <b>192.40 Lakhs</b> only.
Minimum Application Size	Minimum Application Size shall be two lots per application: Provided that the minimum application size shall be above ₹2 lakhs
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to <b>1,40,60,000</b> Equity Shares of face value ₹1/- each for cash at an Issue price of ₹26/- per Equity Share (the “Issue Price”), aggregating up to ₹ <b>3,655.60 Lakhs</b> Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA)
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Individual Investors and who have applied for Equity Shares for an amount of more than ₹2 Lakh (but not including NRIs other than Eligible NRIs).
BSE	BSE Limited
BSE SME	SME Platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares



TERMS	DESCRIPTIONS
Other Investor	Investors other than Individual Investors. These include individual applicants other than individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. <b>OCBs are not allowed to invest in this Issue.</b>
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.
Prospectus	The prospectus dated [●] registered with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
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 this Issue/RTI	Registrar to the Issue in our case being <b>"M/s. Bigshare Services Private Limited"</b>
Registrar Agreement	The agreement dated March 17, 2025 entered between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Individual Bidder(s) or Individual Investor(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing Services in relation to ASBA, 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>
SME Exchange	"SME exchange" means a trading platform of a recognised stock exchange having nationwide trading terminals permitted by the SEBI to list the specified securities issued in accordance with Chapter IX of SEBI ICDR and includes a stock exchange granted recognition for this purpose but does not include the Main Board;
Specified Locations	Collection Centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.

TERMS	DESCRIPTIONS
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020 and as amended thereto, including instructions and clarifications issued by SEBI from time to time.
Transaction Registration Slip /TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI/HO/CFD/DIL2/CIR/ P/2022/45 dated April 05, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, SEBI master circular number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, SEBI master circular number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), NSE Circular Reference No. 23/2022 dated July 22, 2022 and 25/2022 dated August 03, 2022 and BSE Circular Reference No. 20220722-30 dated July 22, 2022 and 20220803-40 dated August 03, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. 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, Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
UPI Mechanism	The mechanism that was used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Underwriters	M/s. Finshore Management Services Limited
Underwriting Agreement	The Underwriting Agreement dated [●] entered into between our Company and the Underwriters.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	“Working day” means all days on which commercial banks in Mumbai are open for business. However, till issue period, working day shall mean all days, excluding

TERMS	DESCRIPTIONS
	Saturdays, Sundays and public holidays, on which commercial banks in the city as specified in the offer document are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the SEBI, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.

### Conventional and General Terms

TERMS	DESCRIPTIONS
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981.
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act/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 there under.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CST Act	Central Sales Tax Act, 1956.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	“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)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Hazardous Waste Rules, 2008	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this Draft Prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI Act	Reserve Bank of India Act, 1934.

TERMS	DESCRIPTIONS
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974.

#### Technical and Industry related terms

TERMS	DESCRIPTIONS
BPM	Business Process Management
BU	Billion Units
CAGR	Compounding Annual Growth Rate
CPI	Consumer Price Index
CSO	Central Statistics Office's
DGGI	Director General of Goods & Services Tax Intelligence
DIPP	Department of Industrial Policy and Promotion
DPIIT	Department for Promotion Industry and Internal Trade
DPR	Detailed Project Report
EDP	Electronic Data Processing
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
EU	European Union
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Service Tax
GVA	Gross Value Added
G-sec	Government Securities
IDDB	Independent Director's Databank
IICA	Indian Institute of Corporate Affairs
IBEF	India Brand Equity Foundation
IMF	International Monetary Fund
IMP/HRS	Impression per Hour
INR	Indian Rupee Rates
MNC	Multinational Corporation



TERMS	DESCRIPTIONS
MOU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MYEA	Mid-Year Economic Analysis
MTPA	Metric Tonne Per Annum
NH	National Highway
NITI Aayog	National Institution for transforming India
NMP	National Manufacturing Policy
OMR	Optical Marking Recognition
OSA	Out Sourcing Agent
PE	Polyethylene
PMA	Preferential Market Access
PSUs	Public Sector Undertaking
RIMS	Records and Information Management Services
RBI	Reserve Bank of India
R & D	Research and Development
SCM	Supply Chain Management
SED	Strategic Engineering Division
SEZ	Special Economic Zone
SMB	Server Message Block
TFA	Trade Facilitation Agreement
UPS	Uninterrupted Power Supply
US	United States
VDP	Variable Data Printing
WPI	Wholesale Price Index

#### Abbreviations

TERMS	DESCRIPTIONS
₹ or ₹ or Rupees or INR	Indian Rupees.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BC	Before Christ.
BPLR	Bank Prime Lending Rate.
BSE	BSE Limited.
CARO	Companies (Auditor's Report) Order, 2016 & 2020, as amended
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CLB	Company Law Board.
CrPC	Criminal Procedure Code, 1973, as amended.
CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DP ID	Depository participant's identification.
ECS	Electronic Clearing System.
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation.
EGM	Extraordinary General Meeting of the Shareholders of the Company.
EPS	Earnings Per Share.
ESOS	Employee Stock Option Scheme.
FDI	Foreign Direct Investment.
FIPB	Foreign Investment Promotion Board.
GAAR	General anti avoidance rules.
GBP	Great Britain Pound.
GIR	General index register.
GoI/Government	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.

TERMS	DESCRIPTIONS
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISO	International Organization for Standardization.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
JV	Joint Venture.
KPI	Key Performance Indicator
MCA	Ministry of Corporate Affairs, Government of India.
MoU	Memorandum of Understanding.
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PCB	Pollution Control Board.
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.
SCSB	Self-Certified Syndicate Bank.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
US	United States.
VAT	Value Added Tax.
w.e.f.	With effect from
YoY	Year on Year.

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

## CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY & MARKET DATA, AND CURRENCY PRESENTATION

### CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” in this Draft Prospectus are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

In this Draft Prospectus, the terms “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Chiraharit” and “CL”, unless the context otherwise indicates or implies, refers to “**Chiraharit Limited**”.

In this Draft Prospectus, the terms “we”, “us”, “our”, unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies, if any.

In this Draft 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 Lacs / Lakhs”, the word “Crore” means “ten millions” and the word “billion (bn)” means “one hundred crores”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### FINANCIAL DATA

Unless stated otherwise, the financial information in this Draft Prospectus are extracted from the restated Financial Statements of our Company for the six months period ended 30<sup>th</sup> September 2024 and for the financial Years ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “**Financial Statements as Restated**” beginning on page no 180 of this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Prospectus, including in the Sections titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page no. 23, 106, and 226 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this Draft Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

Our Company has presented certain numerical information in this Draft Prospectus in “Lakh” units. One lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million and ‘billion / bn./ Billions’ means ‘one hundred crores’

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, Department for Promotion of Industry and Internal Trade, India Brand Equity Foundation (IBEF) and industry publications etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled **“Risk Factors”** beginning on page no. 23 of this Draft Prospectus. Accordingly, investment decisions should not be based on such information.

## EXCHANGE RATES

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

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

Currency#	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
1 USD	83.79	83.37	82.22	75.81

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

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



## FORWARD-LOOKING STATEMENTS

The Company has included statements in this Draft Prospectus which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the Section titled “*Risk Factors*”; “*Industry Overview*”; “*Our Business*”; and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”; beginning on page no. 23, 92, 106 and 226, respectively, of this Draft Prospectus.

The forward-looking statements contained in this Draft Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the Sectors in which we operate;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the change
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability; and
- COVID-19 pandemic and similar circumstances

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. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this Draft Prospectus until the Equity Shares are allotted to the investors.

## SECTION II: SUMMARY OF DRAFT PROSPECTUS

### SUMMARY OF DRAFT PROSPECTUS

#### (A) PRIMARY BUSINESS OF OUR COMPANY AND THE INDUSTRY IN WHICH IT OPERATES:

##### ❖ Primary Business of Our Company:

Incorporated in the year 2006, Chiraharit Limited is engaged into turnkey EPC (Engineering, Procurement and Construction) projects focusing on three broad segment viz Water-based, Renewable Energy-based and Civil Projects. In the Water sector, our focus is on the efficient and reliable movement of piped water in pressurized applications. Our expertise in water movement extends across diverse sub-sectors, including Solar Module Cleaning Systems, Irrigation Solutions for Agriculture and Landscape, Water Pipeline Solutions for Industrial and Residential Projects and supply of HDPE, UPVC, CPVC, PVC Pipes and Fittings etc. In addition to this, we also undertake construction of Compressed Bio-Gas plants (CBG) and construction of Industrial and Residential Projects.

*(For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 106 of this Draft Prospectus.)*

##### ❖ Summary of the industry in which our Company operates:

Solar Panel Cleaning Market Size was valued at USD 0.8 Billion in 2022. The Solar Panel Cleaning market industry is projected to grow from USD 0.85 Billion in 2023 to USD 1.47 Billion by 2032, exhibiting a compound annual growth rate (CAGR) of 7.00% during the forecast period (2024 - 2032). Growing demand for solar panels and cost-effective maintenance are the primary drivers propelling the market's expansion.

*(For further detailed information, please refer to chapter titled “Industry Overview” beginning from page no. 92 of this Draft Prospectus.)*

#### (B) NAME OF THE PROMOTERS OF OUR COMPANY:

The Promoters of our Company are (i) **Mr. Pavan Kumar Bang** (ii) **Mr. Venkata Ramana Reddy Gaggenapalli** and (iii) **Mrs. Tejaswini Yarlagadda**.

*(For further details, please refer chapter “Our Promoters and Promoters Group” beginning from page no. 166 of this Draft Prospectus.)*

#### (C) SIZE OF THE ISSUE:

Initial Public issue up to **1,48,00,000** Equity Shares of ₹1/- each fully paid-up (“Equity Shares”) of Chiraharit Limited (“The Company” or “The Issuer”) for cash at a price of **₹26/-** per equity share (“The Issue Price”), aggregating to **₹ 3,848.00** Lakhs (“The Issue”), of which up to **7,40,000** Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of **₹26/-** per Equity Share aggregating to **₹ 192.40** Lakhs. will be reserved for subscriptions by the Market Maker to the issue (The “**Market Maker Reservation Portion**”). The issue less market maker reservation portion i.e., Issue of up to **1,40,60,000** Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of **₹26/-** per Equity Share aggregating to **₹ 3,655.60** Lakhs. is here-in after referred to as the “**Net Issue**”. The issue and the net issue will constitute 27.00% and 25.66% respectively of the post issue paid up equity share capital of the company.

*(For further details, please refer chapter “Terms of the Issue” beginning from page no. 261 of this draft prospectus.)*

**(D) OBJECTS OF THE ISSUE:**

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects:

₹ in lakhs

Sr. No.	Particulars	Estimated Amount	% of total issue size*	Amount to be financed from Issue Proceeds
A	Funding Capital Expenditure towards setting up HDPE Ball Valves and Fittings Manufacturing Unit	586.01	15.23%	586.01
B	Repayment and/or pre-payment, in full or part, of certain borrowings	390.40	10.15%	390.40
C	Working Capital Requirements	1,953.75	50.77%	1,953.75
D	General Corporate Expenses	550.00	14.29%	550.00
	<b>Net Issue Proceeds</b>	<b>3,480.16</b>	<b>90.44%</b>	<b>3,480.16</b>

For further details, please refer chapter “Objects of the Issue” beginning from page no. 70 of this Draft Prospectus.

**(E) PRE-ISSUE AND POST ISSUE SHAREHOLDING OF OUR PROMOTERS, PROMOTERS GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS ON THE DATE OF THIS DRAFT PROSPECTUS:**

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoters</b>				
Tejaswini Yarlagaadda	2,87,99,990	72.00%	2,87,99,990	52.55%
Pavan Kumar Bang	79,99,960	20.00%	79,99,960	14.60%
Venkata Ramana Reddy Gaggenapalli	32,00,000	8.00%	32,00,000	5.84%
<b>Total Promoters Shareholding</b>	<b>3,99,99,950</b>	<b>100.00%</b>	<b>3,99,99,950</b>	<b>72.99%</b>
<b>Promoter Group</b>				
Nupur Pavan Bang	10	0.00%	10	0.00%
Sheetal Kumar Bang	10	0.00%	10	0.00%
Meenu Bang	10	0.00%	10	0.00%
Rajat Arun Totla	10	0.00%	10	0.00%
Ravula Shashi	10	0.00%	10	0.00%
<b>Total Promoters Group Shareholding (B)</b>	<b>50</b>	<b>0.00%</b>	<b>50</b>	<b>0.00%</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>4,00,00,000</b>	<b>100.00%</b>	<b>4,00,00,000</b>	<b>72.99%</b>

(For further details, please refer chapter “Capital Structure” beginning from page no. 58 of this draft prospectus.)

**(EA) SHAREHOLDING OF PROMOTER(S) / PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY:**

S. No.	Shareholders	Pre-Issue Shareholding		Post-Issue Shareholding	
		No. of Equity Shares	Shareholding (in %)	No. of Equity Shares	Shareholding (in %)
1.	Tejaswini Yarlagaadda	2,87,99,990	72.00%	2,87,99,990	52.55%
2.	Pavan Kumar Bang	79,99,960	20.00%	79,99,960	14.60%
3.	Venkata Ramana Reddy Gaggenapalli	32,00,000	8.00%	32,00,000	5.84%
4.	Nupur Pavan Bang	10	0.00%	10	0.00%
5.	Sheetal Kumar Bang	10	0.00%	10	0.00%
6.	Meenu Bang	10	0.00%	10	0.00%
7.	Rajat Arun Totla	10	0.00%	10	0.00%
8.	Ravula Shashi	10	0.00%	10	0.00%

## Notes-

1. The Promoter Group Shareholders are Nupur Pavan Bang, Sheetal Kumar Bang, Meenu Bang, Rajat Arun Totla and Ravula Shashi.
2. Includes all options that have been exercised until date of draft prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue advertisement until the date of draft prospectus
3. Based on the Issue price of ₹26/- and subject to finalization of the basis of allotment

**(F) SUMMARY OF RESTATED FINANCIAL STATEMENTS:**

(₹ in Lakhs)

Particulars	30-09-2024	31-03-2024	31-03-2023	31-03-2022
Total Share Capital	25.00	25.00	25.00	25.00
Total Net Worth	721.28	331.45	257.17	189.86
Total Revenue	3,267.61	3,056.55	3,288.78	2,442.60
Profit After Tax	381.08	60.34	42.05	93.62
Face Value per equity shares	1/-	1/-	1/-	1/-
Earnings Per Share (Basic & Diluted) (As per Restated financials)	15.24	2.41	1.68	3.74
Earnings Per Share (Basic & Diluted) (after giving retrospective effect of Bonus) (As per Restated financials)	0.95	0.15	0.11	0.23
Net Asset Value per equity share (As per Restated financials)	28.85	13.26	10.29	7.59
Net Asset Value per equity share (after giving retrospective effect of Bonus) (As per Restated financials)	1.80	0.83	0.64	0.47
Total Borrowings (Fund based)	1,867.98	1,630.03	1,592.34	1,270.90

(For further details, please refer chapter “Capital Structure” and “Financial Statements as Restated” beginning from page no. 58 and 180 respectively of this Draft Prospectus.)

**(G) AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS:**

The auditor report of Restated Financial Information of Chiraharit Limited, for the Six months ended September 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 does not contain any qualifications which have not been given effect in the restated financial statements.

(For further details, please refer chapter “Financial Statements as Restated” beginning from page no. 180 of this Draft Prospectus.)

**(H) SUMMARY OF OUTSTANDING LITIGATIONS:**

A summary of legal and other proceedings is given below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Other Pending Litigations/ Actions	Aggregate amount involved (₹ in lakhs)
<b>Company</b>							
By the Company	-	-	-	-	-	-	-
Against the Company	-	4	-	-	-	-	0.43
<b>Promoters/Directors</b>							
By the Promoters/Directors	-	-	-	-	-	1	Not ascertainable
Against the Promoters/Directors	-	2	-	-	-	-	1.55
<b>Group Companies</b>							
By the Group Companies	-	-	-	-	-	1	Not ascertainable
Against Group Companies	-	10	-	-	-	-	750.72



For further details, please refer chapter “**Outstanding Litigation and Material Developments**” beginning from page no. of this Draft Prospectus.

**(I) CROSS REFERENCE TO THE SECTION TITLED RISK FACTORS:**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus.

(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “**Risk Factors**” beginning on page no. 23 of this Draft Prospectus.)

**(J) SUMMARY OF CONTINGENT LIABILITIES:**

As per restated financial statements, the company has contingent liabilities towards Bank Guarantee to the tune of ₹ 10.43 Lakhs as on September 30, 2024.

(For further details, please refer chapter “**Financial Statements as Restated**” beginning from page no. 180 of this Draft Prospectus.)

**(K) SUMMARY OF RELATED PARTY TRANSACTIONS FOR LAST 3 YEARS:**

Transactions with Related Parties

		(₹ in Lakhs)			
Particulars	30-09-2024	31-03-2024	31-03-2023	31-03-2022	
<b>Remuneration paid to directors</b>					
B. Pavan Kumar	22.95	45.90	45.00	35.00	
G V Ramana Reddy	13.23	26.46	20.40	18.00	
V. Lakshmi Kantha Rao	10.50	21.00	21.00	22.00	
<b>Total</b>	<b>46.68</b>	<b>93.36</b>	<b>86.40</b>	<b>75.00</b>	
<b>Sale with related parties</b>					
Malaxmi Infra Ventures (India) Private Limited	-	0.13	0.37	3.25	
Dharmavana Nature Ark (DNA)	154.18	332.79	180.85	-	
XEMX Projects Private Limited	377.90	-	-	-	
Solika Energy Private Limited *	-	-	47.01	-	
<b>Total</b>	<b>532.08</b>	<b>332.92</b>	<b>228.24</b>	<b>3.25</b>	
<b>Purchase</b>					
Malaxmi Infra Ventures (India) Private Limited - Goods	-	-	3.22	159.57	
Malaxmi Infra Ventures (India) Private Limited - Services	-	2.85	-	179.64	
<b>Total</b>	<b>-</b>	<b>2.85</b>	<b>3.22</b>	<b>339.22</b>	
<b>Advance received for Sale of Goods</b>					
Malaxmi Infra Ventures (India) Private Limited	-	-	-	65.20	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65.20</b>	
<b>Advance received for Purchase of Goods</b>					
Malaxmi Infra Ventures (India) Private Limited	-	4.15	-	-	
<b>Total</b>	<b>-</b>	<b>4.15</b>	<b>-</b>	<b>-</b>	

Particulars	30-09-2024	31-03-2024	31-03-2023	31-03-2022
<b>Unsecured Loans Received/(Paid)</b>				
Malaxmi Infra Ventures (India) Private Limited	-	-	-	300.00
Y. Tejaswini, Loan Repayable	-	-	-	-
<b>Total</b>	-	-	-	<b>300.00</b>
<b>Reimbursement of expenses</b>				
Malaxmi Infra Ventures (India) Private Limited	-	1.57	15.37	9.71
B. Pavan Kumar	4.09	7.68	15.08	-
G V Ramana Reddy	0.61	3.84	10.91	0.84
V. Lakshmi Kantha Rao	2.41	5.06	9.16	5.13
<b>Total</b>	<b>7.11</b>	<b>18.15</b>	<b>50.51</b>	<b>15.68</b>
<b>Collateral issued</b>				
Malaxmi Infra Ventures (India) Private Limited (MIVPL)	531.30			
Malaxmi Property Ventures Private Limited (Merged with MIVPL)**	1,150.00	1,150.00	400.00	400.00
<b>Total</b>	<b>1,681.30</b>	<b>1,150.00</b>	<b>400.00</b>	<b>400.00</b>
<b>Investment</b>				
Malaxmi Polymers Private Limited	-	33.00	-	-
Vasavi Building Materials Private Limited	-	54.39	-	-
<b>Total</b>	-	<b>87.39</b>	-	-
<b>Closing Balance of Related Parties</b>				
B. Pavan Kumar, Expenses Payable	-	0.37	0.25	0.49
Y. Tejaswini, Loan Repayable	438.50	438.50	438.50	438.50
V. Lakshmi Kantha Rao	-	0.17	0.01	0.26
G V Ramana Reddy	-	-	0.58	0.49
Malaxmi Infra Ventures (India) Private Limited, Unsecured Loans	300.00	300.00	300.00	300.00
Malaxmi Infra Ventures (India) Private Limited, Trade Payable	-	10.25	11.22	-
Malaxmi Polymers Private Limited - Advances for purchase of Goods	-	-	0.02	-
Dharmavana Nature Ark (DNA), Trade Receivables	41.96	68.05	17.91	-
XEMX Projects Private Limited, Trade Receivables	250.30	-	-	-
Solika Energy Private Limited, Trade Receivables	-	-	57.06	2.86
<b>Total</b>	<b>1,030.76</b>	<b>817.34</b>	<b>825.54</b>	<b>742.60</b>

\* One of the promoters was a shareholder of Solika Energy Private Limited, holding 24.08% of its share capital. The promoter exited Solika Energy Private Limited on November 21, 2022. Accordingly, related party transactions have been reported for the relevant period up to the date of exit.

\*\* Malaxmi Property Ventures Private Limited provided a collateral guarantee to Chiraharit Limited. Subsequently, Malaxmi Property Ventures Private Limited merged with Malaxmi Infra Ventures Private Limited, effective April 1, 2022. Hence, related party transactions have been reported in accordance with the merger and its effective date.

For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated – Related Party Transactions” beginning on page no. 217 of this Draft Prospectus

**(L) DETAILS OF FINANCING ARRANGEMENT:**

There are no financing arrangements whereby the promoters, member of promoter group, the directors of the company which is a promoter of the issuer, the directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Prospectus.

**(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Sl. No.	Name of the Promoter	No. of Shares Acquired during last one Year	Consideration	Weighted Average Price (In ₹ per Equity Share)
1	Tejaswini Yarlagadda	2,70,00,000	-	-
2	Pavan Kumar Bang	75,00,000	-	-
3	Venkata Ramana Reddy Gaggenapalli	30,00,000	-	-

*(The Equity Shares of the Company as mentioned above were acquired by way of bonus issue)*

**(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:**

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Tejaswini Yarlagadda	2,87,99,990	0.07
2	Pavan Kumar Bang	7,99,99,60	0.06
3	Venkata Ramana Reddy Gaggenapalli	32,00,000	0.07

*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer or bonus issue and shares received as gift etc. less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus.*

**(O) DETAILS OF PRE-IPO PLACEMENT:**

The issuer shall ensure that any proposed pre-IPO placement disclosed in the draft offer document shall be reported to the stock exchange(s), within twenty-four hours of such pre-IPO transactions (in part or in entirety) - Our Company has not proposed any Pre-IPO placement from the date of this prospectus till the listing of the Equity Shares.

**(P) DETAILS OF ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
09-10-2024	3,75,00,000	Nil	Nil	Bonus Issue	#	Capitalization of reserves

*# For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled “Capital Structure” beginning on page no. 58 of this Draft Prospectus.*

**(Q) DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR FROM THE DATE OF THIS DRAFT PROSPECTUS:**

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this Draft Prospectus.

**(R) EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

The Company has not sought for any exemptions from complying with any provisions of securities laws.



## SECTION III: RISK FACTORS

### RISK FACTORS

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, **Our Business**, and **Management's Discussion and Analysis of Financial Condition and Results of Operations** beginning on page no. 106 and 226 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.

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

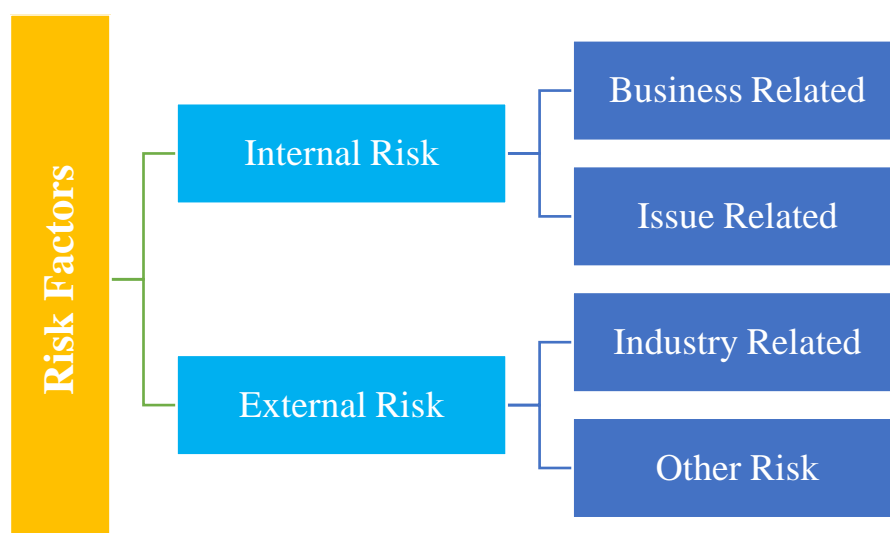
This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this 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 consequences to you of an investment in the Equity Shares.

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

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

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



## **INTERNAL RISK FACTORS**

### **A. Business Related Risks**

- Our Company, Directors, Promoters and Group Companies are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company, Directors, Promoters and Group Companies are parties to 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, Directors, Promoters and Group Companies as on the date of this Draft Prospectus along with the amount involved, to the extent quantifiable.

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Other Pending Litigations/ Actions	Aggregate amount involved (₹ in lakhs)
<b>Company</b>							
By the Company	-	-	-	-	-	-	-
Against the Company	-	4	-	-	-	-	0.43
<b>Promoters/Directors</b>							
By the Promoters/Directors	-	-	-	-	-	1	Not ascertainable
Against Promoters/Directors	-	2	-	-	-	-	1.55
<b>Group Companies</b>							
By the Group Companies	-	-	-	-	-	1	Not ascertainable
Against the Group Companies	-	10	-	-	-	-	750.72

*Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise.*

For further details, please refer chapter ***“Outstanding Litigation and Material Development”*** beginning from page no. 238 of this Draft Prospectus. Further, in addition to that, there could be other litigations & claims filed against the Company, Directors & Promoters which the Company may not be aware of as on the date of this Draft Prospectus.

There can be no assurance that these litigations will be decided in favour of our Company, Directors, Promoters and Group Companies, respectively, and consequently it may divert the attention of our management and Promoter and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations. For the details of the cases please refer the chapter titled ***“Outstanding Litigations and Material Developments”*** on page 238 of this Draft Prospectus.

- EPC projects are typically awarded to us on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new projects are not awarded to us or if contracts awarded to us are prematurely terminated.***

EPC projects are typically awarded to us through a competitive bidding process, where we must meet stringent technical and financial criteria. Factors such as project experience, technical expertise, service quality, and financial resources significantly influence our ability to secure contracts. However, we cannot guarantee that we will consistently meet these qualifications, either independently or with joint venture partners. Even when we do qualify, projects are often awarded based on bid competitiveness, and preparing and submitting bids involves non-reimbursable costs. There is no certainty that projects for which we are prequalified will result in awards, nor that our submitted bids will be selected. In instances where we do not meet qualification standards independently, we partner with third parties, although forming such alliances comes with its own risks. We may face challenges in finding suitable joint venture partners or may be unable to attract partners who view us as their partner of choice, potentially limiting our opportunities to bid on large-scale projects. Additionally, the failure or disqualification of a partner could affect our bids and project success, possibly leading to unforeseen expenses or even losses.

Another challenge we face is the risk of client-initiated contract termination. Our contracts typically contain provisions that allow clients to end agreements, in which case they may need to compensate us based on the value of incomplete work. The compensation process can be lengthy, and we cannot be assured of receiving timely or adequate payment that covers our costs and anticipated profits. Legal proceedings in these cases may divert management's attention, require financial resources, delay project timelines, or potentially strain client relationships. There is no certainty that such proceedings will consistently conclude in our favor. If such early terminations occur, they may have a significant adverse impact on our business operations, profitability, and financial health. However, no such incidents have occurred in the past, and we are proactively implementing measures to minimize the likelihood of these challenges arising in the future. We remain committed to monitoring and adapting to market conditions and to diversifying our global footprint to ensure continued stability and growth.

### 3. *Dependency on Indian Domestic Market for Revenue*

For the six-month period ended September 30, 2024, and the financial years ended March 31, 2024, 2023, and 2022, our revenue has been entirely derived from the Indian domestic market, with no export revenue. While we have a presence across multiple states in India, our reliance solely on the domestic market makes us vulnerable to regional economic fluctuations, political instability, and regulatory changes, which could disrupt our revenue stream. Expanding our geographic footprint beyond India would enhance our business resilience and competitive position, mitigating risks associated with regional market disruptions.

Recognizing the importance of international diversification, we have taken our first step toward expanding our global presence by securing an overseas project in Dubai. Although this project is modest in monetary terms, it marks the beginning of our export revenue journey. Establishing a foothold in international markets will be instrumental in reducing our dependence on domestic economic conditions and fostering long-term growth and stability. However, failure to scale our global expansion efforts may leave our financial performance and operational continuity highly exposed to market dynamics within India.

### 4. *We are dependent on and derive a substantial portion of our revenue from a limited number of customers. Cancellation or orders by customers or delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.*

Our business is dependent on a few customers and the loss of, or a significant reduction in orders by such customers could adversely affect our business. Revenues from any of our particular customers may vary significantly from reporting period to reporting period, depending on the nature of ongoing orders and the implementation schedule for such orders. The efficiency of the sales and marketing network is critical to success of our Company.

Our success lies in the strength of our relationship with the customers who have been associated with our Company. However, such concentration of our business on a few customers may adversely affect us if we do not achieve our expected margins or suffer losses on one or more of these customer contracts. Significant revenue from a few customers increases the potential volatility of our results and exposure to individual contract risks with such customers, which may have an adverse effect on our results of operations. There can be no assurance that our significant customers in the past will continue to place similar orders with us in the future. A significant decrease in business from any such key customer, whether due to circumstances specific to such customer or adverse market conditions affecting the industry or the economic environment generally, such as the COVID-19 pandemic, may materially and adversely affect our business, results of operations and financial condition.

At present, we derive most of our revenues from the orders received from the limited or prime customers. The following is the breakup of the top one, top five and top ten customers of our Company for the six months period ended September 30, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 as per restatement financials:

(₹ in lakhs)

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Top 1 Customer	860.54	26.34%	1,247.05	40.80%	843.39	25.64%	702.07	28.74%
Top 5 Customers	2,045.29	62.59%	2,053.14	67.17%	2,215.61	67.37%	1,536.46	62.90%
Top 10 Customers	2,543.93	77.85%	2,318.13	75.84%	2,528.24	76.87%	1,959.19	80.21%

**5. The Company is dependent on a few suppliers for purchases of product/service. The loss of any of these large suppliers may affect our business operations.**

Our top 10 suppliers contribute majority of our supplies. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seeking new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time. The following are the details of contribution of the top one, top five and top ten suppliers of our Company for the six months period ended September 30, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 as per restatement financials:

(₹ in lakhs)

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Top 1 Supplier	309.95	15.79%	513.57	29.36%	204.23	13.95%	159.00	13.99%
Top 5 Suppliers	784.74	39.98%	821.27	46.95%	656.81	44.85%	592.56	52.13%
Top 10 Suppliers	1,132.39	57.69%	1,042.78	59.61%	1,013.64	69.22%	813.27	71.55%

**6. There has been an instance of non-compliance for failure to open a separate bank account for receipt of share application money in compliance with Section 42 of the Companies Act, 2013. Due to such lapse, the Company may be held liable to penal actions by the regulatory authorities under the Companies Act which may have impact on our financial position.**

In order to meet the capital needs, the Company has raised funds by issuing equity shares to its then existing shareholder M/s Malaxmi Agri Ventures Private Limited through preferential allotment by way of private placement of securities under Section 62 (1)(c) read with Section 42 of Companies Act, 2013. The date of Extra-Ordinary General Meeting for authorising such issue was held on June 14, 2016. The Company had allotted 24,00,000 equity shares of face value of Rs.1/- each at par aggregating to Rs. 24,00,000/- (Rupees Twenty-Four Lakhs Only) on June 23, 2016 but failed to open a separate bank account for receipt of the share application money which is a non-compliance under Section 42(6) of Companies Act, 2013.

Further, our Company has voluntarily filed an application for adjudication before the Registrar of Companies, Hyderabad under Section 454 of the Companies Act, 2013 vide Form GNL-1 bearing SRN. N29379815 dated 10.03.2025. The said form is approved and further ROC process is in progress.

**7. There are certain instances of delays in the past with ROC/Statutory Authorities.**

Our Company also in the past have made delay in filings of some RoC forms as per the stipulated timelines prescribed under the Companies Act, 2013. Our Company has paid requisite late fees for such filings, and no-show cause notice in respect of the same has been received by our Company till date. The details of ROC Late Filings are as follows:

Forms	Purpose	Date of Event	Date of Filing	Due dates	Nos. of Days delayed
Form 23AC	Form for filing of balance sheet with Registrar for the period from 01.04.2006 to 31.03.2007	26.09.2007	13.03.2008	25.10.2007	140
Form 20 B	Form for filing of annual return with Registrar for the period from 01.04.2006 to 31.03.2007	26.09.2007	14.03.2008	25.11.2007	110
Form 23AC	Form for filing of balance sheet with Registrar for the period from 01.04.2009 to 31.03.2010	29.09.2010	31.10.2010	28.10.2010	03
Form 23AC	Form for filing of balance sheet with Registrar for the period from 01.04.2011 to 31.03.2012	29.09.2012	23.11.2012	25.10.2012	29

Forms	Purpose	Date of Event	Date of Filing	Due dates	Nos. of Days delayed
Form 20 B	Form for filing of annual return with Registrar for the period from 01.04.2011 to 31.03.2012	29.09.2012	11.12.2012	25.11.2012	16
Form 23AC	Form for filing of balance sheet with Registrar for the period from 01.04.2012 to 31.03.2013	30.09.2013	14.11.2013	29.10.2013	16
Form 20 B	Form for filing of annual return with Registrar for the period from 01.04.2012 to 31.03.2013	30.09.2013	15.11.2013	29.11.2013	14
Form 23AC	Form for filing of balance sheet with Registrar for the period from 01.04.2013 to 31.03.2014	30.09.2014	03.11.2014	29.10.2014	06
Form 20 B	Form for filing of annual return with Registrar for the period from 01.04.2013 to 31.03.2014	30.09.2014	12.11.2014	29.11.2014	17
AOC-4	Form for filing of financial statement with Registrar for the period from 01.04.2014 to 31.03.2015	29.09.2015	15.11.2015	28.10.2015	18
AOC-4	Form for filing of financial statement with Registrar for the period from 01.04.2020 to 31.03.2021	27.11.2021	11.01.2022	30.12.2021	12
AOC-4	Form for filing of financial statement with Registrar for the period from 01.04.2021 to 31.03.2022	30.09.2022	26.11.2022	29.10.2022	28
AOC-4	Form for filing of financial statement with Registrar for the period from 01.04.2023 to 31.03.2024	30.09.2024	07.11.2024	29.10.2024	09
AOC-4 CFS	Form for filing of consolidated financial statement with Registrar for the period from 01.04.2023 to 31.03.2024	30.09.2024	12.11.2024	29.10.2024	14
Form 23	Registration of Resolution & Agreement	21.07.2011	17.09.2011	20.08.2011	28
Form 23B	Intimation of appointment of Auditor	28.09.2011	01.06.2012	27.10.2011	218
Form 32	Appointment of Director	26.09.2012	27.10.2012	25.10.2012	02
Form 23B	Intimation of appointment of Auditor	31.08.2013	08.11.2013	30.09.2013	39
DIR-12	Appointment of Director	12.08.2014	23.10.2014	11.09.2014	42
MGT-14	Registration of Resolution & Agreement	25.08.2014	07.10.2014	24.09.2014	13
ADT-1	Appointment of Auditor	30.09.2014	27.05.2019	14.10.2014	1686
DIR-12	Appointment of Director	11.05.2016	25.10.2016	10.06.2016	137
MGT-14	Registration of Resolution & Agreement	14.06.2016	19.07.2016	13.07.2016	05
CHG-1	Creation of Charge	30.12.2019	19.02.2020	28.01.2020	22
CHG-1	Modification of Charge	26.06.2020	13.08.2020	25.07.2020	19
CHG-1	Creation of Charge	29.03.2021	06.07.2021	28.04.2021	69
CHG-1	Modification of Charge	20.01.2022	10.03.2022	19.02.2022	19
MSME-1	Half yearly return	30.04.2022	23.08.2022	30.04.2022	115
MSME-1	Half yearly return	31.10.2022	19.12.2022	31.10.2022	49
MSME-1	Half yearly return	31.10.2023	15.12.2023	31.10.2023	45
MSME-1	Half yearly return	30.04.2024	04.05.2024	30.04.2024	04



Forms	Purpose	Date of Event	Date of Filing	Due dates	Nos. of Days delayed
DIR-12	Appointment of Director	01.04.2024	04.05.2024	30.04.2024	04
MR-1	Return of appointment of Managerial Personnel	01.04.2024	02.01.2025	30.05.2024	217

It is pertinent to note here that all the forms are approved by ROC. Further, if any such action is initiated by the regulatory authority, then the Company will have to abide by the order of such regulatory authority or pay any penalty that may be imposed by any regulatory authorities in future for non-compliance with provisions of corporate and other law which could impact the financial position of the Company to that extent.

**8. *There have been some instances of delayed filing of returns and depositing of statutory dues with regulatory authorities.***

In the past, our company has at several instances, delayed in filing GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees levied are not significant but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and our directors, in which event the financials of our Company and our directors may be affected. For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see ***“Outstanding Litigation and Material Developments”*** beginning on page 238 of this Draft Prospectus.

**9. *We may face several risks associated with the object of the issue of setting up of proposed Manufacturing Unit, which could hamper our growth prospects, cash flows and business and financial condition.***

We intend to allocate a portion of the Net Proceeds from this Issue towards establishing a manufacturing unit for the production of HDPE valves and fittings at Plot No: 41, Plastic Park, Mankhal, Tumuloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana. For further details, please refer to the chapter titled ***“Object of the Issue”*** on page 70 of this Draft Prospectus.

The implementation of our proposed manufacturing unit may encounter challenges such as cost overruns or delays due to various factors, including financial constraints, strategic adjustments, and external influences such as market fluctuations, competitive dynamics, and changes in interest or exchange rates. Additional factors such as design modifications, rising construction material and labor costs, incremental preoperative expenses, regulatory charges, working capital requirements, environmental considerations, and other unforeseen circumstances may also impact the project timeline. These challenges could potentially delay the utilization of Net Proceeds, thereby postponing the commencement of commercial operations.

Any delay in the execution of the proposed manufacturing facility could result in revenue loss for the Company. Additionally, project implementation may be affected by unforeseen engineering or technical issues, labor disputes, unexpected cost escalations, scope changes, or delays in securing property rights and regulatory approvals. While we intend to mitigate such risks, it is not possible to entirely eliminate potential disruptions, cost overruns, or time delays. Should the budgeted cost prove inadequate, we may need to rely on internal cash flows or seek additional capital, which may not always be available on favorable terms or at all.

**10. *Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations.***

While our Order Book has historically provided a solid foundation of work, it may not accurately represent our future results, and actual income could be substantially lower than the projections it reflects. This discrepancy could occur due to various factors, such as project delays, cancellations, or unexpected changes in client requirements. If our Order Book does not translate into the anticipated revenue, it may adversely affect our operational results and financial performance.

Although we have maintained a robust Order Book in the past and present, there is no guarantee that this trend will continue in the future. Market conditions, competitive pressures, or changes in client demand could impact the volume or nature of new orders we receive. A reduction in future orders or an inability to replenish our Order Book with high-value projects could affect our revenue flow and growth potential, creating uncertainties for our long-term business outlook.

- 11. *We cannot assure you that the proposed Manufacturing unit will become operational as scheduled, or at all, or operate as efficiently as planned. If we are unable to commission our new facility in a timely manner or without cost overruns, it may adversely affect our business, results of operations and financial condition.***

We plan to utilize a portion of the proceeds from this Issue to establish a manufacturing unit at Plot No: 41, Plastic Park, Mankhal, Tumuloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana, at a total estimated cost of ₹ 850.52 lakhs. However, the expansion process may be subject to various risks, including unforeseen engineering or technical challenges, labor disputes, force majeure events, unexpected cost escalations, scope modifications, and delays in securing necessary government approvals and consents. Given that the proposed products involve polymer materials, our Company must obtain all requisite regulatory approvals at different stages, which is essential for the production of HDPE valves and fittings. There is no assurance that such approvals will be granted on time or at all. Additionally, risks associated with commissioning the facility, such as construction delays, suboptimal operational efficiency, or resource utilization issues, may impact our ability to fulfil additional orders and generate the anticipated revenue. Any of these factors could result in project delays, cost overruns, or even the termination of the proposed manufacturing unit.

In the event of any delay in the schedule of implementation or if we are unable to complete the project as per the scheduled time, it could lead to revenue loss. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays could be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected. For further details, please refer to the chapter titled “*Objects of the Issue*” on page 70 of this Draft Prospectus.

- 12. *The cost estimates for the proposed manufacturing unit at Plot No: 41, Plastic Park, Mankhal, Tumuloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana have been derived from management estimates and quotations received from third parties and may not be accurate.***

The estimated cost of the proposed manufacturing unit at Plot No: 41, Plastic Park, Mankhal, Tumuloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana will be approximately ₹ 850.52 lakhs. For ascertaining this cost, reliance has been placed on the estimates and budgets decided based on management estimates and third-party quotations received from machinery manufactures, civil work contractors, and the same has not been appraised by any bank or financial institution. The actual costs of expansion of our facilities may exceed such budgeted amounts due to a variety of factors such as construction delays, interest rates, labour costs, foreign exchange rates, regulatory and environmental factors, weather conditions and our financing needs. Our financial condition, results of operations and liquidity would be materially and adversely affected if the cost estimates for the proposed expansion materially exceed the budgeted amounts. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected. For further details of the scheduled operational dates of our proposed unit, see “*Objects of the Issue*” on page 70 of this Draft Prospectus.

- 13. *Our Company is yet to place orders for civil work and plant & machineries for the proposed manufacturing unit. Any delay in placing orders or completion of civil works or procurement of such machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.***

Our Company has obtained third-party quotations for the civil works to be undertaken and the machinery to be installed at our proposed assembling unit. While we have identified the specific machinery to be procured using the Net Proceeds, as of the date of the Draft Prospectus, we have not yet placed orders for the civil works or the plant and machinery. The estimated cost of construction and equipment procurement is based on quotations received from third-party vendors, which are valid for a limited period and may be subject to revisions due to commercial and technical factors. For details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 70 of this Draft Prospectus.

We cannot assure that we will be able to construct the civil works and procure the machinery in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost or in the event the vendors are not able to provide the same in a timely manner, or at all, we may encounter time and cost overruns in setting up of the proposed assembling unit. Further, if we are unable to construct the civil works and procure machinery from the vendors from whom we have obtained quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the specifications which satisfy our requirements at acceptable prices. Our inability to construct the civil works and procure the machinery at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

14. We have experienced negative cash flows in the past and may continue to do so in the future and the same may adversely affect our cash flow requirements, which in turn may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years:

₹ in lakhs

Particulars	30-09-2024	31-03-2024	31-03-2023	31-03-2022
Net cash generated/(used) from operating activities	83.25	176.62	100.61	(373.62)
Net Cash generated/(used) from investing activities	(86.27)	(15.31)	(133.73)	(372.49)
Net Cash generated/(used) from financing activities	10.98	(135.97)	(47.54)	811.33
Net increase/(decrease) in cash and cash equivalents	7.95	25.35	(80.67)	65.21

There can be no assurance that our net cash flows shall be positive in the future. Any negative cash flows in the future over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see **“Financial Statements as Restated”** beginning on page 180 of this Draft Prospectus.

15. Our Group Companies has incurred losses in the past and may incur losses in the future.

Our Group Companies i.e. M/s Malaxmi Infra Ventures (India) Private Limited, M/s Malaxmi Polymers Private Limited and M/s XEMX Projects Private Limited have incurred losses in the preceding three fiscals. The details of net worth, turnover and profit/loss of such Group Companies for the preceding three fiscals are as follows:

₹ in lakhs

Particulars	31.03.2024	31.03.2023	31.03.2022
<b>Malaxmi Infra Ventures (India) Private Limited</b>			
Net Worth	9,254.22	9,495.95	9,782.96
Total Income	983.17	359.51	548.09
Profit after Tax	(241.73)	(2,258.90)	421.66

Particulars	31.03.2024	31.03.2023	31.03.2022
<b>Malaxmi Polymers Private Limited</b>			
Net Worth	67.94	81.02	155.31
Total Income	878.42	513.06	317.23
Profit after Tax	(48.08)	(74.29)	3.79

Particulars	31.03.2024	31.03.2023	31.03.2022
<b>Malaxmi Polymers Private Limited</b>			
Net Worth	210.83	51.33	0.58
Total Income	0.00	0.00	0.00
Profit after Tax	(0.50)	(0.25)	(0.12)

We cannot assure you that our Group Companies will not incur losses in the future. This may lead to reputational loss or decline in our overall profitability. For further details on the financial information of our Group Companies, see **“Group Companies of our Company”** on page 174 of this Draft Prospectus.

16. We have issued Equity Shares in the last 12 (twelve) months at a price which is lower than the Issue Price.

During the last 12 (twelve) months, we have issued Equity Shares at a price that is lower than the Issue Price, as set forth below.

Date of Issue	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Allotment
09-10-2024	3,75,00,000	1/-	Nil	Bonus Issue

The price at which Equity Shares have been issued by our Company in the immediately preceding one year is not indicative of the Issue Price at which the Equity Shares shall be issued and traded (subsequent to listing). For further details regarding such allotments, see **“Capital Structure”** on page 58 of this Draft Prospectus.

**17. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.**

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Draft Prospectus. For Details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer the table below:

Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
Tejaswini Yarlagadda	2,87,99,990	0.07
Pavan Kumar Bang	79,99,960	0.06
Venkata Ramana Reddy Gaggenapalli	32,00,000	0.07

**18. We have certain contingent liabilities, which, if materialized, may affect our financial condition and results of operations.**

Our contingent liabilities as of September 30, 2024 were as follows:

₹ in lakhs				
Particulars	30.09.2024	31.03.2022	31.03.2021	31.03.2020
Bank Guarantee	10.43	-	-	-

For further details of the contingent liabilities and commitments of our Company as on September 30, 2024, see **“Restated Financial Information – Contingent Liabilities”** on page 180 of this Draft Prospectus. If a significant portion of these liabilities materialize, fully or partly, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**19. Dependence on Leased Premises for Business Operations**

Our registered office, located at Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104, is a leased property. Additionally, all other operational facilities, including warehouses and branch offices, are also on lease. As we do not own these premises, there is an inherent risk to our business operations and, consequently, to our investors. For further details regarding our leased properties, please refer to the "Details of Immovable Property" section in **“Our Business”** on page 106 of this Draft Prospectus.

The termination of lease agreements due to factors beyond our control may require us to relocate, potentially disrupting operations and leading to increased costs. Securing suitable alternative locations within a reasonable timeframe and on commercially viable terms may prove challenging. Furthermore, any adverse changes in property rights, ownership, or development rights of the lessors, as well as breaches of lease terms, could impact our operational stability. Such events may result in additional expenditures, operational delays, or increased rental expenses, all of which could materially affect our business continuity, financial health, and overall performance.

**20. Our industry is labour intensive, and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.**

Many of our projects, particularly in the Solar Module Cleaning System segment, are located in remote areas, necessitating the engagement of casual labourers on a need basis. Given this dependency on the labour force for project execution and manufacturing operations, any disruptions could pose operational challenges. While we have not experienced major workforce-related disruptions in the past, we recognize the possibility of unforeseen challenges. However, we remain well-prepared to effectively manage such situations, ensuring minimal impact on our business and financial performance. Our proactive approach allows us to swiftly address disruptions, mitigating risks associated with increased costs and operational delays.

Additionally, India has stringent labor laws designed to protect workers' interests, imposing financial obligations on employers in cases of retrenchment and mandating compliance with regulations related to minimum wages, working hours, overtime, workplace conditions, and employee contracts. As an employer, we are subject to these legal provisions, which govern key aspects of labor relations, including hiring, termination, and work permits. We remain committed to adhering to all applicable regulations while maintaining a stable and efficient workforce, ensuring the smooth execution of our projects and manufacturing activities.

- 21. *We have substantial working capital requirements. Our inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding in a timely manner to meet our requirements of working capital or payment of our debts, could adversely affect our operations.***

Our company operates in an EPC (Engineering, Procurement and Construction) environment, which is highly capital-intensive. These projects often require substantial working capital for smooth operations, including procuring materials, engaging contractors, paying staff, and covering overhead costs across project phases. The cyclical and intensive cash flow demands of EPCC projects mean we must secure and maintain reliable credit facilities and other funding sources to meet our immediate and ongoing working capital requirements. Any disruption in our cash flow, whether due to delayed payments from clients, unexpected project expenses, or limited access to credit, can strain our liquidity. If we are unable to secure or renew the necessary credit lines and funding on favorable terms and within the required timeframe, we may face challenges in meeting our obligations and sustaining project momentum. Such constraints can disrupt our operations and jeopardize our ability to deliver on our commitments.

Moreover, our inability to meet these funding needs in a timely manner could impact our ability to pay suppliers, contractors, and employees, leading to delays in project schedules and possibly even contract penalties. With tight schedules and high expectations from our clients, any interruptions in the project flow could have cascading effects on our financial performance, resulting in increased borrowing costs and reduced profitability. The inability to meet working capital needs might also limit our capacity to bid for new projects, as a stable financial footing is often a prerequisite for qualifying in competitive bidding processes. In turn, this could affect our revenue growth and market positioning over time. To mitigate these risks, it is essential for us to maintain diverse funding channels and proactively manage cash flow to avoid disruptions that could otherwise adversely impact our operations, profitability, and reputation within the industry.

- 22. *We are dependent on Promoters, directors and key managerial personnel of our Company for success whose loss could seriously impair the ability to continue to manage and expand business efficiently.***

Our promoters, directors and key managerial personnel, collectively have good experience in the industry and are difficult to replace. They provide expertise, which enables us to make well informed decisions in relation to our businesses and our future prospects with our promoters having vast experience in this field. For further details of our Directors and Key Managerial Personnel, please refer to Section ***“Our Management”*** on page 106 of this Draft Prospectus. Our success largely depends on the continued services and performance of our management and other key personnel. 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. Also, the loss of any of the management or other key personnel may adversely affect the operations, finances and profitability of our company. Efficient retention and management of our human resources are critical for the successful expansion of our business. We are actively focused on ensuring a supportive and conducive work environment. The continued dedication, skills, and expertise of our team members play a pivotal role in our future performance. Additionally, our commitment to attracting and retaining qualified senior and mid-level managers strengthens our foundation for sustained growth and success in the long term.

- 23. *Disruptions or failures in our technology systems may affect our operations. Further, Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernization and technology upgradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although, we believe that we have implemented enhanced technological infrastructure and given the chances of a technological innovation are not very high in our sector, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology in the industrial equipment manufacturing business, we may require to implement new technology or upgrade the machineries and other equipment employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant, which could substantially affect our finances and operations. For further details, kindly refer section titled ***“Our Business”*** beginning on page 106 of this Draft Prospectus.





**24. *Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.***

Our projects are generally subject to strict completion timelines as specified in the relevant work orders, and we make strong commitments to our clients regarding both timely delivery and quality standards. While we work diligently to meet these deadlines, the scheduled completion targets for our projects are estimates that can be influenced by unforeseen factors. These may include engineering challenges, force majeure events, right-of-way issues, financial constraints, unexpected cost escalations, or adverse weather conditions. While we strive to manage such risks, we cannot fully guarantee that delays will not occur in the future. Any delays in project completion could result in increased working capital requirements, potentially affecting our financial performance. Furthermore, repeated or significant delays may harm our company's reputation.

In the event that a project completion delay occurs without an agreed-upon exception, the client may reserve the right to terminate the work order. Should this happen, we might only receive partial payments and may be liable for delay damages as outlined in the contract, which could impact our cash flow for that project. Additionally, the client could choose to reissue a fresh tender for the unfinished work on a "risk and cost" basis, potentially requiring us to compensate the client for any additional expenses they incur. If such risks materialize, it could lead to considerable time and cost overruns, resulting in potential project losses and adversely affecting our company's profitability and financial health. While our company has historically completed projects without unusual time or cost overruns, any significant delays in the future could impact our financial results and corporate reputation. Moreover, there have been no substantial changes in the company's activities over the past three years that would materially affect our profits or losses, such as the discontinuance of business lines, loss of agencies, or similar factors.

**25. *Challenges in Brand Establishment and Risks Associated with Not Owning any Intellectual Property Rights.***

Our Company does not currently have an established independent brand. At present, we are operating under the **Mālxmi** brand, leveraging our association with this conglomerate to promote our business. However, the intellectual property rights (IPR) associated with the brand are not registered in our Company's name. Recognizing the importance of brand identity, we are in the process of establishing our own brand, , to enhance market recognition and create a distinct presence.

We have applied for the registration of intellectual property rights related to , but the application is still under process. There is a possibility that our trademark registration may face objections or delays, and in the event that it is not granted, we may be unable to secure a proprietary brand under our Company's name. This presents a potential risk to our business, as the absence of a registered brand may impact our market positioning, competitive edge, and long-term brand value. We are actively monitoring the registration process and will take necessary measures to mitigate any challenges that may arise in securing our brand identity.

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

Insurance coverage plays a crucial role in mitigating various risks that our company faces, particularly those associated with essential assets and operations, including vehicles, buildings, and employee-related liabilities. We maintain these insurance policies to safeguard our assets and protect our business operations from potential losses or liabilities. To ensure sufficient protection, our insurance policies are periodically reviewed and renewed, with the objective of maintaining adequate coverage in line with our risk profile. Despite our commitment to securing comprehensive insurance coverage, it's important to recognize that no insurance policy can completely eliminate risk. Certain contingencies, including natural disasters, unforeseen operational disruptions, or other extraordinary events, may fall outside the scope of these policies or exceed the coverage limits. This leaves an element of financial exposure that cannot be fully mitigated through insurance alone.

In the event that our company faces a significant uninsured loss, whether due to exclusions in the policy or losses surpassing the coverage limits, the financial impact could be substantial. Additionally, there is always a possibility that a claim may be denied or delayed by the insurer, which would hinder our ability to recover from the incident promptly. Such scenarios could adversely affect our liquidity and financial stability, potentially disrupting business operations, impairing asset values, or diminishing investor confidence. In the absence of sufficient coverage, or if losses exceed our insurance claims, our financial health and operational continuity could be seriously compromised, underscoring the inherent limitations and uncertainties associated with relying on insurance as a risk management strategy.

For further details in relation to our Insurance, please refer to the section titled – Insurance in the chapter titled “Our Business” beginning on page 100 of this Draft Prospectus.

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

In the course of our operations, we may encounter execution faults on account of factors including design related deficiencies arising in our projects. Such construction related faults typically result in revision / modification to our design and engineering, thereby resulting in increased interest cost due to delay, increase in estimated cost of operations on account of additional work executed towards rehabilitation and further expenditure incurred towards appointment of external consultants for assistance in revising our design. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults and are dependent upon our clients' permitting extension of time of completion of such projects.

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

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

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

Our business operations demand substantial working capital to support the execution of multiple projects, especially since significant expenditures must often be made upfront, long before we receive payments from clients. To meet these needs, we rely on raising funds from various sources to ensure that we have adequate resources for the successful implementation and timely completion of projects. However, any delays in the completion of ongoing projects could lead to increased working capital requirements, largely due to higher financing costs and fluctuations in key inputs, such as rising natural gas prices. Such delays can put us at risk of exceeding our initial project budgets, further straining our capital reserves.

Moreover, the nature of our industry makes it challenging to forecast the success of contract bids or predict when a particular contract might be awarded. This uncertainty extends to the timeline within which we must mobilize resources once a contract is awarded, often requiring us to secure additional working capital quickly to begin project execution. As the scale and number of projects awarded to us grow, our working capital needs may increase proportionally, placing additional demands on our financial flexibility. In some instances, payment terms specified in certain contracts may further elevate our working capital requirements. For example, if contracts offer reduced advance payments or backloaded payment schedules (where payments are concentrated at the end of the project), we may face cash flow constraints, requiring us to secure additional financing. Such fluctuations in our working capital requirements may impact our liquidity, increase our reliance on external funding sources, and affect our ability to manage project costs effectively.

- 29. *We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of deficiency in our services, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.***

Any failure or deficiency in our services could result in a claim against us for damages, regardless of our responsibility for such a failure or deficiency. Although we attempt to maintain quality standards, we cannot assure that all our services would be of uniform quality, meet the customer standards which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or services or any other unforeseen events could affect our reputation and our results from operations.

**30. Our Company has entered into certain related party transactions and may continue to do so in the future.**

We have entered into and may in the ordinary course of our business continue to enter into transactions with related parties that include certain of our Promoter, Promoter Group, Directors and Group Companies. For further details in relation to our related party transactions, see **“Financial Statements as Restated - Related Party Transaction”** beginning on page F25 of the Draft Prospectus. While we have entered into such transactions on an arm’s length basis and are in compliance with the applicable provisions of Companies Act, 2013 and other applicable law, there is no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. There can be no assurance that such transactions, will not have an adverse effect on our business, prospects, results of operations and financial condition. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

**31. We may not be able to collect receivables due from our clients, in a timely manner, or at all, which may adversely affect our business, financial condition, results of operations and cash flows.**

There may be delays in the collection of receivables from our clients. As of September 30, 2024, our total trade receivable was ₹ 1,677.34 lakhs. We cannot assure you that we will be able to collect our receivables in time or at all which may have an adverse effect on our cash flows, business, results of operations and financial condition. For further details, see **“Financial Statement as Restated”** on page 180 of this Draft Prospectus.

In addition, we may, at times, be required to claim additional payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. However, our clients may interpret such additional work and costs restrictively and dispute our claims, resulting in lengthy arbitration, litigation or other dispute resolution proceedings, which we cannot assure that we can recover adequately. Further, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. We require significant working capital requirements in our business operations and such delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

**32. Our operations are subject to risks of mishaps or accidents that could cause damage or loss to life and property and could also result in loss or slowdown in our business.**

Our business operations are subject to operating risks, including fatal accidents, mishaps failure of equipment, power supply, labour disputes, natural disasters or other force majeure conditions which are beyond our control. The occurrence of any of these factors could significantly affect our results of operations and financial condition. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our operation sites, there can be no assurance that we will not face such disruptions in the future.

During the construction and maintenance period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our Order Book, availability of insurance coverage in the future and our results of operations.

**33. We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.**

The market in which our company is doing business is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

**34. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

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

Since the Issue size is less than Rs. 5,000.00 Lakh there is no mandatory requirement of appointing an independent monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**36. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes amounting to ₹ 550.00 lakhs which constitute 14.29% of the total Issue Proceeds.***

As on date we have not identified the use of such funds. Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes amounting to ₹ 550.00 lakhs which constitute 14.29% of the total Issue Proceeds. As on the date of this Draft Prospectus, we have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act wherever applicable. For details, please refer the chapter titled ***“Objects of the Issue”*** beginning on Page No. 70 of this Draft Prospectus.

**37. *Our lenders have charge over our assets in respect of finance availed by us.***

We have secured our lenders by creating a charge over our assets in respect of loans / facilities availed by us from Banks/FIs. The total amounts outstanding and payable by us as secured loans were ₹ 1,065.14 lakhs as on September 30, 2024. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the ***“Financial Indebtedness”*** please refer to page 221 of this Draft Prospectus.

**38. *In addition to our existing indebtedness for our operations, we may be required to obtain further loan during the course of business. There can be no assurance that we would be able to service our existing and/or additional indebtedness.***

In addition to our existing indebtedness for our existing operations we may be required to raise further debt in the form of term loans and working capital loans in the course of business. Increased borrowings, if any, would adversely affect our debt-equity ratio and our ability to further borrow at competitive rates. Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements could lead to a termination of one or more of our credit facilities, trigger cross default provisions, penalties and acceleration of amounts due under such facilities which may adversely affect our business, financial condition and results of operations. For further details of our indebtedness, please refer to the chapter titled ***“Financial Indebtedness”*** on page 221 of this Draft Prospectus.

**39. *Our Company has availed certain unsecured loan which can be recalled at any time.***

Our Company has availed certain unsecured loan amounting to ₹ 738.50 lakhs as on September 30, 2024 from its Promoters and Promoter Group Entity which may be recalled at any time. Though our Company intends to repay the loan amount in near future, sudden recall may disrupt our operations and also may force us to find alternative sources of financing, which may not be available on commercial reasonable terms or at all. opt for funding at higher interest rates, resulting in higher financial burden. We may not have adequate working capital to meet business requirements of our Company, and, as a result, any such demand by the lenders may affect our business, cash flows, financial condition and results of operations. Further, in respect of such unsecured loan, no proper agreement has been executed between the parties. For further details, please refer to the section ***“Financial Indebtedness”*** beginning on page no. 221 of this Draft Prospectus.

**40. *Our debt financing agreements contain certain restrictive covenants that may adversely affect our Company's business, credit ratings, prospects, results of operations and financial condition.***

Certain debt financing agreements that our Company has entered into contain restrictive covenants that limit our ability to undertake certain types of transactions. Under our debt financing agreements our Company is required to maintain certain financial covenants. Even though in the past, our company has not faced any instances that adversely affected the Company's business, credit ratings, prospects, results of operations and financial condition, due to restrictive covenants of the debt financing agreements, there can be no assurance that our Company has complied with all such restrictive covenants in a timely manner or at all or that we will be able to observe compliance with all such restrictive covenants in the future. A failure to observe the restrictive covenants under our debt financing agreements may result in termination of our financing agreements, levy of default interest, acceleration of all amounts due under such facilities and the enforcement of any security provided in relation thereto. Any acceleration of amounts due under such debt financing agreements may trigger cross-default or cross-acceleration provisions under other debt financing agreements, which may compel us to dedicate a substantial portion of our cash flow from operations or sell certain assets to make such payments thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, in the event of any of the circumstances coming into effect our business, prospects, results of operations and financial condition may be adversely affected.

**41. *We have not made any alternate arrangements for meeting our regular working capital requirements. If we are unable to manage/arrange funds (including at short notice) to meet our working capital requirements, there may be an adverse effect on our results of operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our working capital requirements, other than the existing sanctioned limits. Our business requires a significant amount of working capital to finance the purchase of raw materials before payments are received from customers. We cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under budget for our working capital requirements, in which case there may be delays in arranging the additional working capital requirements, which may delay the execution of projects leading to loss of reputation, levy of liquidated damages, and an adverse effect on the cash flows. If we experience insufficient cash flows or are unable to borrow funds on a timely basis or at all to meet the working capital requirements, there may be an adverse effect on our results of operations. We may also be subject to fluctuations of interest rates for our financing. If we are unable to secure financing at favourable rates for this purpose, our ability to secure larger-scale projects will be impeded and our growth and expansion plans will be materially and adversely affected which in turn will materially and adversely affect our future financial performance.

Our indebtedness is secured by charges over Immovable Property, Stocks, Book Debts etc. If we are unable to repay or refinance our outstanding indebtedness, or if we are unable to obtain additional financing on terms acceptable to us, we may be unable to implement our growth strategy, and our business, prospects, financial condition, and results of operations may be adversely affected.

**42. *Our Promoters have provided personal guarantees for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any personal guarantees provided by our Promoter.***

Our Promoters and Directors have provided personal guarantees to secure a significant portion of our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Directors may be invoked, which could negatively impact the reputation of our Company. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoters and Directors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Also, if our Promoters and Directors revoke their personal guarantees and we may not be successful in procuring alternate guarantees and property satisfactory to the lenders, as a result we may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer "**Financial Indebtedness**" on page no. 221 of this Draft Prospectus.



- 43. *Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 70 of this Draft Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue subject to applicable laws. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use Issue Proceeds towards Funding Capital expenditure towards setting up HDPE Valves and Fittings Manufacturing Unit, Repayment/Prepayment in full or part of certain borrowings availed by our company, to meet the Working Capital Requirements of Issuer Company, and General Corporate Purposes. We intend to deploy the Net Issue Proceeds in financial year 2025-26 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled **“Objects of the Issue”** beginning on page 70 of this Draft Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors and shall be subject to applicable laws. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled **“Objects of the Issue”** beginning on page 70 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue subject to applicable laws. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Issue without our Company being authorized to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

- 44. *Our KMPs are associated with our Company for less than one year.***

Our Company Secretary are associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter **“Our Management”** beginning on page 146 of this Draft Prospectus.

- 45. *Certain key performance indicators for certain listed industry peers included in this Draft Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete.***

Pursuant to the requirements of the SEBI ICDR Regulations, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the **“Basis for Issue Price”** beginning on page 83 of the Draft Prospectus. While our business comprises of the EPC projects, these listed industry peers are related to associate industry. Although this information is sourced from and relied upon on the standalone/consolidated audited financial statements of the relevant listed industry peers for Fiscals 2024 as available on the websites of the Stock Exchanges, including the annual reports of the respective companies for the years ended March 31, 2024 submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete or adequate. There are different methodologies and formulas used to compute the various ratios.

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

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Prospectus.



## **B. Issue Related Risks**

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

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter “*Objects of the Issue*” on page 70 of this Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

### **48. *The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.***

The Issue price is based on numerous factors and may not be indicative of the market price for our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that you will be able to resell your Shares at or above the Issue Price. Among the factors that could affect our Share price are: variations in the rate of growth of our financial indicators, such as earnings per share, net profit and income; changes in income or earnings estimates or publication of research reports by analysts; speculation in the press or investment community; general market conditions; and domestic and international economic, legal and regulatory factors unrelated to our performance.

### **49. *After this Issue, the price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not be sustained.***

Prior to this Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained upon the completion of this Issue. The initial public offering price of the Equity Shares offered hereby was determined through our negotiations with the LM and may not be indicative of the market price of the Equity Shares after this Issue. The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to, among other factors:

- variations in our operating results and the performance of our business;
- regulatory developments in our target markets affecting us, our customers, or our competitors;
- changes in financial estimates by securities research analysts;
- addition or loss of executive officers or key employees;
- loss of one or more significant customers;
- the performance of the Indian and global economy;
- significant developments in India’s economic liberalization and deregulation policies, and the fiscal regime;
- volatility in the Indian and global securities markets;
- performance of our competitors and perception in the Indian market about investment in our industry; and
- adverse media reports, if any, on our Company, or the industry.

Many of these factors are beyond our control. There has been recent volatility in the Indian stock markets and our share price could fluctuate significantly as a result of such volatility in the future. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

### **50. *There is no guarantee that our Equity Shares will be listed on the SME Platform of BSE Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the SME Platform of BSE Limited within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**51. *The investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

We have applied to BSE Limited to use its name as the Stock Exchange in this offer document for listing our shares on the SME Platform of BSE Limited. In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Offer will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a delay in listing the Equity Shares on the SME Platform of BSE Limited. Any delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**52. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**53. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI (ICDR) Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**54. *Our Promoters and promoter group have significant controlling interest over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this issue, our Promoters, along with the Promoter Group, will collectively hold 72.99% of our Company's post-issue equity share capital. They will continue to receive remuneration, benefits, and expense reimbursements. As a result, our Promoters and the Promoter Group will have significant influence over all matters requiring shareholder approval. This includes the ability to control the composition of our Board of Directors, make key decisions that require a simple majority vote, determine the timing and distribution of dividends, approve or reject the sale of substantial assets, and oversee the appointment or removal of key officers. Consequently, other shareholders may have limited ability to influence the outcome of such decisions.

There is no assurance that our Promoters and Directors will exercise their rights as shareholders in a manner that aligns with the best interests of the Company or its minority shareholders. Their control over corporate decisions may lead to actions that serve their interests but do not necessarily benefit all stakeholders equally. Furthermore, our Directors and Key Management Personnel may take or block strategic actions that could conflict with the broader interests of the Company and its minority shareholders, potentially impacting governance and operational decisions. For details, see the section titled "*Capital Structure*" on Page 58 of this Draft Prospectus.

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

Under the current Indian Income Tax provisions, all transactions of purchase and sales of securities on Indian stock exchanges are subject to levy of securities transaction tax (STT) which will be collected by respective stock exchange on which the securities are transacted. Accordingly, the Indian Income Tax Act has special capital gains tax provisions for all transactions of purchase and sale of equity shares carried out on the Indian Stock Exchanges. Under the current Indian Income Tax provisions, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India.

**56. *Any future issuance of Equity Shares may dilute the investors' shareholdings or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by us or sales of our Equity Shares by our Promoters or Promoter Group may adversely affect the trading price of our Equity Shares and our Company's ability to raise capital through an issue of securities. In addition, any perception by potential investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Additionally, the disposal, pledge or encumbrance of our Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of our Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**57. *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.***

We have never declared or paid any cash dividends in the past three years. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and in accordance with the dividend distribution policy adopted by 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. Please refer to the chapter titled **"Dividend Policy"** beginning on page 192 of this Draft Prospectus.

**58. *The investors may be restricted in their ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of their ownership position.***

Under the Companies Act, 2013, a Company incorporated in India must offer its holders of shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares which are voted on the resolution. However, if the law of the jurisdiction the investors are in does not permit them to exercise their pre-emptive rights without us filing an offering document or registration statement with the applicable authority in the jurisdiction they are in, they will not be able to exercise their pre-emptive rights unless we make such a filing. If we elect not to make such a filing, the new securities may be issued to a custodian, who may sell the securities for the investors' benefit. The value such custodian would receive upon the sale of such securities if any, and the related transaction costs cannot be predicted. To the extent that the investors' are unable to exercise pre-emptive rights granted in respect of the Equity Shares, their proportional interest in us would be reduced.

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

The Companies Act and related regulations, the Articles of Association, and the Listing Agreements to be entered into with the Stock Exchange govern the corporate affairs of the Company. The Legal principles relating to these matters and the validity of 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 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 than as a shareholder of a corporation in another jurisdiction.

- 60. Our Equity Shares are quoted in Indian Rupees in India, and therefore investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.**

Investors are subject to currency fluctuation risk and convertibility risk since the Equity Shares are quoted in Indian Rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees. The volatility of the Indian Rupee against the U.S. dollar and other currencies subjects investors who convert funds into Indian Rupees to purchase our Equity Shares to currency fluctuation risks.

### **EXTERNAL RISK FACTORS**

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

In late 2019, COVID-19 emerged and by March 11, 2020 was declared a global pandemic by The World Health Organization. Governments and municipalities around the world instituted measures in an effort to control the spread of COVID-19, including quarantines, shelter-in-place orders, school closings, travel restrictions, lock down of cities and closure of non-essential businesses. By the end of March, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility. The outbreak of COVID-19 in many countries, including India, the United Kingdom and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and service providers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our clients, and those of our respective service providers. There is currently substantial medical uncertainty regarding COVID-19. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may SME concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company. The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the impact on our capital expenditure; disruptions or restrictions on our employees' and suppliers' ability to work and travel; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

**62. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to “**Key Industry Regulations and Policies**” on page 134 of this Draft Prospectus for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Our Company will comply with relevant regulations as and when applicable. However, any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge being collected by the central and state governments. The GST has led to increase tax incidence and administrative compliance. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

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

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.



**64. *A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margin.

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

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

**66. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

**67. *We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards ("IFRS"). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the "IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

**68. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.



**69. *Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on our business.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as “systemic risk,” may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counter party, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect our business, financial condition, results of operations and cash flows.

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

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

## SECTION IV: INTRODUCTION

### THE ISSUE

The present Issue has been authorized pursuant to a resolution of our Board of Directors held on January 11, 2025 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting of the members held on January 13, 2025.

The following is the summary of the Issue:

PARTICULARS	DETAILS
<b>Present Issue <sup>(1)</sup></b>	Up to <b>1,48,00,000</b> Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of <b>₹26/-</b> per Equity Share aggregating to <b>₹ 3,848.00</b> Lakhs.
<b>Out of which:</b>	
Market Maker Reservation Portion	Up to <b>7,40,000</b> Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of <b>₹26/-</b> per Equity Share aggregating to <b>₹ 192.40</b> Lakhs.
Net Issue to the Public <sup>(2)</sup>	Up to <b>1,40,60,000</b> Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of <b>₹26/-</b> per Equity Share aggregating to <b>₹ 3,655.60</b> Lakhs.
<b>Out of which:</b>	
Allocation to Individual Investors for <b>above Rs. 2.00 lakh</b>	<b>70,32,000</b> Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of <b>₹26/-</b> per Equity Share aggregating to <b>₹ 1,828.32</b> Lakhs.
Allocation to other investors for <b>above Rs. 2.00 lakh</b>	<b>70,28,000</b> Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of <b>₹26/-</b> per Equity Share aggregating to <b>₹ 1,827.28</b> Lakhs.
<b>Pre- and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	<b>4,00,00,000</b> Equity Shares having face value of ₹1/- each
Equity Shares outstanding after the Issue*	<b>5,48,00,000</b> Equity Shares having face value of ₹1/- each
<b>Objects of the Issue</b>	Please refer to the section titled <b>“Objects of the issue”</b> beginning on page no. 70 of this draft prospectus.
<b>Issue Opens on</b>	[•]
<b>Issue Closes on</b>	[•]

\*Assuming Full Allotment

<sup>(1)</sup> The present Issue is being made by our Company in terms of Regulation 229(1) of the 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

<sup>(2)</sup> This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

- (a) Minimum 50% to the individual investors who applies for minimum application size; and
- (b) remaining to:
  - i. individual investors; and
  - ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

**Explanation:** For the purpose of Regulation 253, sub-Regulation (3), if the category of Individual investors who applies for minimum application size is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled **“Terms of the Issue”** beginning on page 261 of this draft prospectus.

## SUMMARY OF FINANCIAL INFORMATION

### Restated Consolidated Statement of Assets & Liabilities:

Particulars	As at (Rs. In Lakhs)			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
<b>I. EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholders Fund</b>				
a) Share capital	25.00	25.00	25.00	25.00
b) Reserves and surplus	696.28	306.45	232.17	164.86
<b>Total Shareholder's Fund</b>	<b>721.28</b>	<b>331.45</b>	<b>257.17</b>	<b>189.86</b>
<b>(2) Non-Current Liabilities</b>				
a) Long-Term Borrowings	853.63	801.77	860.01	844.34
b) Deferred Tax Liability (Net)	16.91	13.84	7.12	-
d) Long-term provisions	40.27	36.46	21.87	14.57
e) Minority Interest	21.86	15.60	27.55	52.81
<b>Total Non-Current Liabilities</b>	<b>932.68</b>	<b>867.68</b>	<b>916.56</b>	<b>911.72</b>
<b>(3) Current Liabilities</b>				
a) Short-term Borrowings	949.56	777.67	675.20	426.56
b) Current Maturity of Long-term Borrowings	64.78	50.58	57.13	-
c) Trade Payables	-	-	-	-
- Total outstanding dues of MSME	87.26	99.48	73.27	111.05
- Total outstanding dues of creditors other than MSME	335.33	266.95	145.52	97.98
d) Other Current Liabilities	136.52	116.96	68.76	56.46
e) Short-term Provisions	237.89	66.02	77.12	46.05
<b>Total Current Liabilities</b>	<b>1,811.34</b>	<b>1,377.67</b>	<b>1,096.99</b>	<b>738.10</b>
<b>Total Equity &amp; Liability</b>	<b>3,465.29</b>	<b>2,576.79</b>	<b>2,270.72</b>	<b>1,839.68</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
<b>a) Fixed Assets</b>				
(i) Property, Plant and Equipment	600.36	592.58	607.02	34.36
(ii) Intangible Assets	-	-	-	-
(iii) Capital Work-In-Progress	272.24	234.43	206.87	666.48
<b>Total Fixed Assets</b>	<b>872.60</b>	<b>827.01</b>	<b>813.90</b>	<b>700.84</b>
b) Deferred Tax Assets (Net)	-	-	-	1.46
c) Long-term Loans and Advances	38.19	9.76	38.77	25.07
d) Other Non- Current Assets	2.82	2.82	-	-
<b>Total Non-Current Assets</b>	<b>41.01</b>	<b>12.58</b>	<b>38.77</b>	<b>26.53</b>
<b>(2) Current assets</b>				
a) Inventories	372.19	246.29	182.41	102.92
b) Trade Receivables	1,677.34	1,043.95	722.46	662.75
c) Cash and Cash Equivalents balances	34.55	26.60	1.25	81.92
d) Short-term Loans and advances	346.11	322.81	277.19	173.93
e) Other Current Assets	121.50	97.56	234.74	90.80
<b>Total Current Assets</b>	<b>2,551.68</b>	<b>1,737.21</b>	<b>1,418.05</b>	<b>1,112.32</b>
<b>Total Assets</b>	<b>3,465.29</b>	<b>2,576.79</b>	<b>2,270.72</b>	<b>1,839.68</b>

For further details, kindly refer the chapter titled “Financial Statements as Restated” beginning on page 180 of this Draft Prospectus.

**Restated Consolidated Statement of Profit & Loss:**

Particulars	For the Period / year ended (Rs. In Lakhs)			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Income</b>				
<b>Revenue from Operations</b>				
Sale of Products	2,505.55	2,285.81	1,831.20	1,511.90
Sale of Services	762.06	770.75	1,457.59	930.71
Other Income	0.22	0.87	14.38	5.44
<b>Total Income</b>	<b>3,267.83</b>	<b>3,057.42</b>	<b>3,303.16</b>	<b>2,448.04</b>
<b>Expenditure</b>				
Cost of Material Consumed	1,962.96	1,749.31	1,464.43	1,136.63
Work Execution Expenses	480.96	560.61	1,264.95	843.49
Change in Inventories	(125.89)	(57.47)	(79.49)	(30.42)
Employee Benefit Expenses	259.53	453.04	382.72	255.40
Other Expenses	91.89	115.33	87.50	75.79
<b>Total Expenses</b>	<b>2,669.45</b>	<b>2,820.83</b>	<b>3,120.11</b>	<b>2,280.89</b>
<b>Profit Before Interest, Depreciation and Tax</b>	<b>598.39</b>	<b>236.59</b>	<b>183.06</b>	<b>167.15</b>
Depreciation & Amortisation Expenses	16.12	30.67	24.46	9.82
<b>Profit Before Interest and Tax</b>	<b>582.27</b>	<b>205.92</b>	<b>158.60</b>	<b>157.33</b>
Financial Cost	55.88	91.67	63.22	29.45
<b>Profit before Taxation</b>	<b>526.38</b>	<b>114.25</b>	<b>95.38</b>	<b>127.87</b>
Provision for Taxation	139.56	45.28	42.61	34.20
Provision for Deferred Tax	3.07	6.69	8.58	(0.51)
Earlier Tax	2.66	1.95	2.14	0.57
<b>Total</b>	<b>145.30</b>	<b>53.91</b>	<b>53.33</b>	<b>34.26</b>
<b>Profit After Tax but Before Extra-ordinary Items</b>	<b>381.08</b>	<b>60.34</b>	<b>42.05</b>	<b>93.62</b>
Extraordinary Items	-	-	-	-
Profit Attributable to Minority Shareholders	-	-	-	-
<b>Net Profit after adjustments</b>	<b>381.08</b>	<b>60.34</b>	<b>42.05</b>	<b>93.62</b>
<b>Net Profit Transferred to Balance Sheet</b>	<b>381.08</b>	<b>60.34</b>	<b>42.05</b>	<b>93.62</b>

For further details, kindly refer the chapter titled “Financial Statements as Restated” beginning on page 180 of this Draft Prospectus.

**Restated Consolidated Statement of Standalone Cash Flow:**

Particulars	For the Period/Year ended on (Rs. In Lakhs)			
	Sep-24	Mar-24	Mar-23	Mar-22
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit Before Tax as per Profit & Loss A/c	526.38	114.25	95.38	127.87
<i>Adjusted for:</i>				
a. Depreciation	16.12	30.67	24.46	9.82
b. Interest Expenses & Finance Cost	55.88	91.67	63.22	29.45
c. Other Adjustments	-	(0.44)	-	-
d. Interest & Other Income	(0.06)	(0.01)	(10.19)	(0.51)
e. Preliminary Expenses Written off		0.84		
<b>Operating profit before working capital changes</b>				
<i>Adjusted for:</i>				
a. Decrease /(Increase) in Inventories	(125.89)	(63.88)	(79.49)	(30.42)
b. Decrease / (Increase) in trade receivable	(633.39)	(321.48)	(59.71)	(95.12)
c. (Increase) / Decrease in short-term loans and advances	(23.30)	(45.62)	(103.26)	(114.67)
d. Increase / (Decrease) in Trade Payables	56.17	147.64	9.76	97.02
e. Increase / (Decrease) in short-term provisions	171.86	(11.10)	31.07	21.65
f. Increase / (Decrease) in other current liabilities	19.55	48.20	12.30	14.88
g. (Repayments) / proceeds of short-term borrowings	186.09	95.93	305.77	(418.68)
h. (Increase) / Decrease in Other Current Assets	(23.94)	137.18	(143.94)	19.84
<b>Cash generated from operations</b>				
Net Income Tax (Paid)/Refund	(142.23)	(47.22)	(44.75)	(34.77)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>83.25</b>	<b>176.62</b>	<b>100.61</b>	<b>(373.62)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
a. (Purchase) Sale of Fixed Assets	(23.89)	(16.17)	(597.12)	(9.88)
b. (Increase) / Decrease in Capital Work in Progress	(37.81)	(27.55)	459.61	(359.55)
c. (Increase) / Decrease in Long-term loans and advances	(28.44)	13.82	(13.70)	(8.20)
d. Increase / (Decrease) in Long-term Provisions	3.81	14.59	7.30	4.62
e. (Increase) / Decrease in Other Non-Current Assets	-	-	-	-
f. (Increase) in Misc. Expenses	-	-	-	-
g. Interest & Other Income	0.06	0.01	10.19	0.51
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(86.27)</b>	<b>(15.31)</b>	<b>(133.73)</b>	<b>(372.49)</b>

Particulars	For the Period/Year ended on (Rs. In Lakhs)			
	Sep-24	Mar-24	Mar-23	Mar-22
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a. Interest & Finance Cost	(55.88)	(91.67)	(63.22)	(29.45)
b. Proceeds from share issued including Premium	-	-	-	-
c. Minority Interest	15.00	13.94	-	-
d. (Repayments) / proceeds of long-term borrowings	51.86	(58.24)	15.67	840.78
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>10.98</b>	<b>(135.97)</b>	<b>(47.54)</b>	<b>811.33</b>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>7.95</b>	<b>25.35</b>	<b>(80.67)</b>	<b>65.21</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>26.60</b>	<b>1.25</b>	<b>81.92</b>	<b>16.71</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>34.55</b>	<b>26.60</b>	<b>1.25</b>	<b>81.92</b>

For further details, kindly refer the chapter titled “Financial Statements as Restated” beginning on page 180 of this Draft Prospectus.

## SECTION V: GENERAL INFORMATION

### GENERAL INFORMATION

Our company was originally incorporated as a Private Limited Company under the name and style of "**Brahmani Ventures Private Limited**" in accordance with the Companies Act, 1956 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Andhra Pradesh on August 04, 2006 with the corporate identification number (CIN) being U45101AP2006PTC050818. Later, the name of the Company has been changed to "**Chiraharit Agro Farms Private Limited**" in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on September 18, 2015 with the corporate identification number (CIN) being U01403TG2006PTC050818. Further, the name of the Company was once again changed to "**Chiraharit Private Limited**" in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on May 30, 2016 with the corporate identification number (CIN) being U29100TG2006PTC050818. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to "**Chiraharit Limited**" vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 02, 2024, bearing Corporate Identification Number U29100TG2006PLC050818, issued by Central Processing Centre. For further details of change in name and registered office of our company, please refer to section titled "**Our History and Certain Corporate Matters**" beginning on page no 143 of this Draft Prospectus.

Brief of Company and Issue Information	
<b>Registered Office</b>	<b>Chiraharit Limited</b> Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104 <b>Contact Person:</b> Mr. Pavan Kumar Bang <b>Contact No:</b> +91 81069 65151 <b>Email ID:</b> <a href="mailto:pavan@chiraharit.com">pavan@chiraharit.com</a> <b>Website:</b> <a href="https://chiraharit.com">https://chiraharit.com</a>
<b>Date of Incorporation</b>	August 04, 2006
<b>Corporate Identification Number</b>	U29100TG2006PLC050818
<b>Company Category</b>	Company Limited by Shares
<b>Company Subcategory</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	<b>Registrar Of Companies, Hyderabad, Telangana</b> 2ND Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda Hyderabad - 500 068
<b>Designated Stock Exchange<sup>^</sup></b>	<b>BSE Limited,</b> SME Platform of BSE Limited (" <b>BSE SME</b> ") P.J. Towers, Dalal Street, Mumbai – 400 001
<b>Company Secretary and Compliance Officer</b>	<b>Mr. Dixitula Venkata Kama Dixitulu</b> <b>Chiraharit Limited</b> Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104 <b>Contact No:</b> +91 77385 61210 <b>Email ID:</b> <a href="mailto:cs@chiraharit.com">cs@chiraharit.com</a> <b>Website:</b> <a href="https://chiraharit.com">https://chiraharit.com</a>
<b>Chief Financial Officer</b>	<b>Mr. Gudla Rama Chandra Rao</b> <b>Chiraharit Limited</b> Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104 <b>Contact No:</b> +91 90008 58222 <b>Email ID:</b> <a href="mailto:cfo@chiraharit.com">cfo@chiraharit.com</a> <b>Website:</b> <a href="https://chiraharit.com">https://chiraharit.com</a>



<b>Peer Review / Statutory Auditor of the company</b>	<b>M/s. G.P. Associates</b> Flat No. 603, 6 <sup>th</sup> Floor, Plot No. 13, Cyber Heights, Huda Layout, Road No. 2, Banjara Hills Hyderabad - 500034, Telangana, India <b>Contact Person:</b> CA K Abhinav <b>Email ID:</b> <a href="mailto:abhinav.kuruganti@gpasoc.in">abhinav.kuruganti@gpasoc.in</a> <b>Contact No.:</b> +91 80964 34999 <b>Designation:</b> Partner <b>Membership No.:</b> 242972 <b>Firm Registration No:</b> 006734S <b>Peer Review Certificate No:</b> 015240, Valid upto 30 <sup>th</sup> April, 2026			
<b>Bid/ Issue Programme</b>	<b>Bid/Issue Opens On</b>	[●]	<b>Bid/Issue Closes On</b>	[●]

**Board of Directors of Our Company**

Sl. No.	Name of the Director	DIN	Current Designation	Address
1	Pavan Kumar Bang	03614791	Managing Director & CEO	Flat No 801, Block F, Casa Rouge, jubilee Garden, Kondapur, Serilingampally, K.V. Rangareddy District, Telangana - 500084,
2	Venkata Ramana Reddy Gaggenapalli	07532133	Executive Director	H.No: 10-18/GGV 18, Garden Groove Villas, Ramky Discovery City, Maheswaram, Sreenagar, Mankhal, KV Rangareddy, Telangana - 501359
3	Tejaswini Yarlagadda	00232268	Non-Executive Director	Villa No: A-14, Lake Community, Emaar Boulder Hills, Opp Microsoft, Gachibowli, KV Rangareddy District, Telangana - 500032
4	Venkata Chakrapani Chaturvedula	10813796	Independent Director	1-2-212/6/F, Street No. 12, Domalguda, Municipal Ward Office - Himayathnagar, Hyderabad - 500029, Andhra Pradesh.
5	Anantha Krishna Nageshwara	08455478	Independent Director	D-102 Casa Rouge, Jubilee Gardens, Lane next to TCS E-Park, Serilingampally, Hyderabad - 500084, Telangana.

For further details of the Board of Directors, please refer to the Section titled **“Our Management”** on page no. 149 of this draft prospectus.

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

LEAD MANAGER	REGISTRAR TO THE ISSUE
<b>FINSHORE MANAGEMENT SERVICES LIMITED</b> ‘Anandlok’, Block-A, 2 <sup>nd</sup> Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal <b>Telephone:</b> 033 – 2289 5101 / 4603 2561 <b>Email:</b> <a href="mailto:info@finshoregroup.com">info@finshoregroup.com</a> <b>Website:</b> <a href="http://www.finshoregroup.com">www.finshoregroup.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investors@finshoregroup.com">investors@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185 <b>CIN:</b> U74900WB2011PLC169377	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093 <b>Telephone:</b> 022 6263 8200 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investors@bigshareonline.com">investors@bigshareonline.com</a> <b>Contact Person:</b> Mr. Babu Rapheal C <b>SEBI Registration Number:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534

BANKER TO THE ISSUE AND SPONSOR BANK	LEGAL ADVISOR TO THE ISSUE
[•]	<b>J. MUKHERJEE &amp; ASSOCIATES</b> D-1, MMS Chambers, 1st Floor, 4A Council House Street, Kolkata-700001, West Bengal, India <b>Telephone:</b> +91 9830640366 <b>Email ID:</b> jmukherjeeandassociates@gmail.com <b>Contact Person:</b> Mr. Jayabrata Mukherjee

*Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.*

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

#### **Statement of Inter Se Allocation of Responsibilities**

Finshore Management Services Limited is the sole Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

#### **Self-Certified Syndicate Banks ("SCSBs")**

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

#### **Issuer Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as 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=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

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 BSE Limited at [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) as updated from time to time.

#### **Brokers to This Issue**

All brokers registered with SEBI and members of the Recognised Stock Exchange can act as brokers to the Offer.

#### **Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

**Collecting Depository Participants**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the 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.

**Credit Rating**

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

**Trustees**

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

**Debenture Trustees**

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

**IPO Grading**

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

**Monitoring Agency**

As per regulation 262(1) of the SEBI ICDR Regulations 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.5,000 Lakhs. Since the Issue size is only of ₹ 3848.00 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

**Appraising Entity**

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

**Filing of Draft Prospectus/Prospectus with the SEBI/ROC**

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the Board (SEBI) shall not issue any observation on the offer document.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Prospectus will be mailed at the e-mail address: [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in)

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the **Registrar of Companies – Hyderabad, Telangana**.

### Issue Programme

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with BSE SME	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on BSE SME	[●]

### 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 prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this draft prospectus.

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

There has been no change in the Auditor during the last three (3) years of the Company.

### Underwriter

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●], and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name, Address, Telephone, and Email of the Underwriter	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue Size Underwritten
<b>Finshore Management Services Limited</b> Anandlok, Block-A, 2 <sup>nd</sup> Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, West Bengal, India <b>Tel No:</b> 033 – 2289 5101 / 4603 2561 <b>Website:</b> <a href="http://www.finshoregroup.com">www.finshoregroup.com</a> <b>Email:</b> <a href="mailto:info@finshoregroup.com">info@finshoregroup.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investors@finshoregroup.com">investors@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185	1,48,00,000 Equity Shares*	₹ 3848.00 Lakhs	100.00%

\*Includes 7,40,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●], in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

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

### Details of Market Making Arrangement for This Issue

Our Company and the Lead Manager has entered into Market Making Agreement dated [●], with the following Market Maker to fulfil the obligations of Market Making for this Issue:

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Contact Person</b>	[●]
<b>Telephone</b>	[●]
<b>E-mail</b>	[●]
<b>Website</b>	[●]
<b>SEBI Registration No</b>	[●]
<b>CIN</b>	[●]
<b>MM Registration No</b>	[●]

M/s. [●], registered with BSE Limited, will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI (ICDR) Regulations as amended from time to time.

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

- *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the BSE and SEBI regarding this matter from time to time.*
- *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the BSE SME.*
- *In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement*
  1. The Market Maker “M/s. [●]” shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
  2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.
  3. The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012 and SEBI ICDR Regulations and relevant Exchange Circulars requirement for Market Makers on SME platform.
  4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
  5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
  6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on BSE SME (in this case currently the minimum trading lot size is **4,000** equity shares; however, the same may be changed by the BSE SME from time to time).
  7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
  8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the BSE.



9. 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.
10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of **Chiraharit Limited** or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters' holding of **Chiraharit Limited** shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of **Chiraharit Limited** which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the SME Platform of BSE Limited, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of **Chiraharit Limited** via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. **Risk containment measures and monitoring for Market Maker:** BSE SME will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Maker(s):** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

16. 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
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

18. 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.
19. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on BSE SME.*
- *In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME.*

## SECTION VI: CAPITAL STRUCTURE

### CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this Draft Prospectus, is set forth below:

(Rs. in Lakhs except share data)

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorized Share Capital</b>		
	6,00,00,000 Equity Shares of ₹1/- each	600.00	--
B.	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Offer <sup>(1)</sup></b>		
	4,00,00,000 Equity Shares of ₹ 1/- each	400.00	--
C.	<b>Present issue in terms of the draft prospectus <sup>(2)</sup></b>		
	1,48,00,000 Equity Shares of ₹ 1/- each for cash at a price of ₹26/- per share aggregating to ₹ 3,848 lakhs	148.00	3848.00
<b>Which Comprises of</b>			
D.	<b>Reservation for Market Maker portion</b>		
	7,40,000 Shares of ₹1/- each for cash at a price a ₹26/- per Equity Share aggregating to ₹ 192.40 lakhs	7.40	192.40
	<b>Net Issue to the Public</b>		
	1,40,60,000 Equity Shares of ₹1/- each for cash at a price a ₹26/- per Equity Share aggregating to ₹ 3,655.60 lakhs, <b>out of which:</b>	140.60	3655.60
E.	70,32,000 Equity Shares of ₹1/- each for cash at a price a ₹26/- per Equity Share aggregating to ₹ 1,828.32 lakhs will be available for allocation for allotment to Individual Investors <i>who applies for minimum application size of above ₹2.00 lakhs</i>	70.32	1828.32
	70,28,000 Equity Shares of ₹1/- each for cash at a price a ₹26/- per Equity Share aggregating to ₹ 1,827.28 lakhs will be available for allocation for allotment to Other Investors of <b>above ₹2.00 lakhs</b>	70.28	1827.28
F.	<b>Paid up Equity capital after the Issue</b>		
	5,48,00,000 Equity Shares of ₹1/- each	548.00	
G.	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		3,700.00

<sup>(1)</sup> Our Company has only one class of share, i.e., Equity Shares having face value of ₹1/- each and there are no partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this Draft Prospectus.

<sup>(2)</sup> The present Issue of 1,48,00,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated **11<sup>th</sup> January, 2025** and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting of the members held on **13<sup>th</sup> January, 2025**.

#### Details of changes in Authorized Share Capital of our Company since incorporation:

Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (₹)	Details of change
04-08-2006	On Incorporation	1,00,000	Incorporated with an Authorized Share Capital of ₹1,00,000 comprising of 10,000 Equity Shares of Face Value of ₹ 10/- each
14-05-2016	EGM	1,00,000	Subdivision of Equity Shares: Authorized Share Capital from ₹1,00,000 comprising of 10,000 Equity Shares of Face Value of ₹ 10/- each to 1,00,000 comprising of 100,000 Equity Shares of Face Value of ₹ 1/- each

<i>Date of Shareholders approval</i>	<i>EGM/AGM/ Postal Ballot</i>	<i>Authorized Share Capital (₹)</i>	<i>Details of change</i>
14-05-2016	EGM	25,00,000	Increase in Authorized Share Capital from ₹1,00,000 comprising of 100,000 Equity Shares of Face Value of ₹ 1/- each to 25,00,000 comprising of 25,00,000 Equity Shares of Face Value of ₹ 1/- each
01-08-2024	EGM	6,00,00,000	Increase in Authorized Share Capital from ₹25,00,000 comprising of 25,00,000 Equity Shares of Face Value of ₹ 1/- each to 6,00,00,000 comprising of 6,00,00,000 Equity Shares of Face Value of ₹ 1/- each

## Notes to Capital Structure

### Share capital history of our Company

#### (a) Equity shares capital history of our Company:

The following is the history of the equity share capital of our Company:

<i>Date of Allotment</i>	<i>No. of Equity Shares</i>	<i>Face Value (In ₹)</i>	<i>Issue Price (In ₹)</i>	<i>Nature of Consideration</i>	<i>Nature of Allotment</i>	<i>Cumulative No. of Equity Shares</i>	<i>Cumulative Paid-up Capital (in ₹)</i>
04-08-2006 <sup>(1)</sup>	10,000	10.00	10.00	Cash	Subscription to MOA	10,000	1,00,000
14-05-2016 <sup>(2)</sup>	100,000	1.00	-	-	Sub-Division	100,000	1,00,000
23-06-2016 <sup>(3)</sup>	24,00,000	1.00	1.00	Cash	Preferential Allotment	25,00,000	25,00,000
09-10-2024 <sup>(4)</sup>	3,75,00,000	1.00	-	-	Bonus Issue	4,00,00,000	4,00,00,000

(1) Allotment of 10,000 Equity Shares on Initial subscription to the Memorandum of Association dated 04-08-2006

<i>Sl. No.</i>	<i>Name of the allottee</i>	<i>Face Value (₹)</i>	<i>Issue Price (₹)</i>	<i>Nature of Allotment</i>	<i>Number of Equity Shares allotted</i>
1	Harish Chandra Prasad Yarlagadda	10.00	10.00	Subscription to MOA	5,000
2	Tejaswini Yarlagadda	10.00	10.00	Subscription to MOA	5,000
<b>Total</b>					<b>10,000</b>

(2) Subdivision of Existing Shares - 10,000 Equity Shares of Rs. 10 each to 1,00,000 Equity Shares of Rs. 1 each vide approval of the EGM dated 14-05-2016:

<i>Sl. No.</i>	<i>Name of the allottee</i>	<i>Face Value (₹)</i>	<i>Issue Price (₹)</i>	<i>Nature of Allotment</i>	<i>Number of Equity Shares allotted</i>
1	Harish Chandra Prasad Yarlagadda	1.00	1.00	Sub-Division	50,000
2	Tejaswini Yarlagadda	1.00	1.00	Sub-Division	50,000
<b>Total</b>					<b>100,000</b>

(3) Further on 23-06-2016, Company has allotted 24,00,000 Equity Shares of Face Value Rs. 1/- each as per details given below:

<i>Sl. No.</i>	<i>Name of the allottee</i>	<i>Face Value (₹)</i>	<i>Issue Price (₹)</i>	<i>Nature of Allotment</i>	<i>Number of Equity Shares allotted</i>
1	Malaxmi Agri Ventures Private Limited	1.00	1.00	Preferential Allotment	24,00,000
<b>Total</b>					<b>24,00,000</b>

- (4) Further on 09-10-2024, Company has allotted 3,75,00,000 Equity Shares of Face Value Rs. 1/- each as per details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Tejaswini Yarlagadda	1.00	-	Bonus Issue	2,70,00,000
2	Pavan Kumar Bang	1.00	-	Bonus Issue	75,00,000
3	Venkata Ramana Reddy Gaggenapalli	1.00	-	Bonus Issue	30,00,000
<b>Total</b>					<b>3,75,00,000</b>

As on the date of this Draft Prospectus, our Company does not have any preference share capital.

**(b) Equity shares issued for consideration other than cash:**

As on the date of this Draft Prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below.

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
09-10-2024	3,75,00,000	Nil	Nil	Bonus Issue	#	Capitalization of reserves

#For list of allottees, see note 4 of paragraph titled “Equity Share Capital History of our Company” mentioned above.

**(c) Revaluation of our assets:**

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

**(d) If shares have been issued in terms of any scheme approved under section 230-234 of the Companies Act, 2013:**

Our Company has not issued any Equity Shares in terms of any scheme approved under section 230-234 of the Companies Act, 2013.

**(e) If shares have been issued under one or more employee stock option schemes:**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.

**(f) Issue of Equity Shares in the last one year below the Issue Price:**

Except as mentioned above, our company has not issued equity shares at a price lower than the issue price of ₹ 26/- each during the preceding one year from the date of this draft prospectus.



**(g) Shareholding Pattern of our Company:**

The table below presents the current shareholding pattern of our Company as on the date of this Draft Prospectus.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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 (Sb)	
								Class: X	Class: Y	Total								
A1	Promoter	3	3,99,99,950	-	-	3,99,99,950	100.00%	3,99,99,950	-	3,99,99,950	100.00%	-	100.00%	-	-	-	-	3,99,99,950
A2	Promoter Group	5	50	-	-	50	0.00%	50	-	50	0.00%	-	0.00%	-	-	-	-	50
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		8	4,00,00,000	-	-	4,00,00,000	100.00%	4,00,00,000	-	4,00,00,000	100.00%	-	100.00%	-	-	-	-	4,00,00,000

As on date of this Draft Prospectus, 1 Equity share holds 1 vote.

As on date, we have only one class of Equity Shares of face value of Rs. 1/- each.

All Pre-IPO equity shares of our company will be locked-in as per regulations of SEBI ICDR prior to listing of shares on SME Platform of BSE Limited.

In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are dematerialized.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE Limited before commencement of trading of such Equity Share.

- (i) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on the date of the Draft Prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Tejaswini Yarlagadda	2,87,99,990	72.00%
2	Pavan Kumar Bang	79,99,960	20.00%
3	Venkata Ramana Reddy Gaggenapalli	32,00,000	8.00%
<b>Total</b>		<b>3,99,99,950</b>	<b>100.00%</b>

- (ii) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 10 days before the date of the Draft Prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Tejaswini Yarlagadda	2,87,99,990	72.00%
2	Pavan Kumar Bang	79,99,960	20.00%
3	Venkata Ramana Reddy Gaggenapalli	32,00,000	8.00%
<b>Total</b>		<b>3,99,99,950</b>	<b>100.00%</b>

- (iii) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 1 (one) year before the date of the Draft Prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Tejaswini Yarlagadda	18,00,000	72.00%
2	Pavan Kumar Bang	5,00,000	20.00%
3	Venkata Ramana Reddy Gaggenapalli	2,00,000	8.00%
<b>Total</b>		<b>25,00,000</b>	<b>100.00%</b>

- (iv) *List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 2 (two) year before the date of the Draft Prospectus:*

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Tejaswini Yarlagadda	20,00,000	80.00%
2	Pavan Kumar Bang	3,00,000	12.00%
3	Venkata Ramana Reddy Gaggenapalli	2,00,000	8.00%
<b>Total</b>		<b>25,00,000</b>	<b>100.00%</b>

- (h) *Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:*

Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. 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 opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

**(i) The Details of Shareholding of Promoters of Our Company;**

Capital Build-up of our Promoter in our Company: The current promoters of our Company are **Tejaswini Yarlagadda, Pavan Kumar Bang** and **Venkata Ramana Reddy Gaggenapalli**.

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this draft prospectus, our Promoters collectively hold 3,99,99,950 Equity Shares, which constitutes approximately 100.00% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 73% of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoter</b>				
Tejaswini Yarlagadda	2,87,99,990	72.00%	2,87,99,990	52.55%
Pavan Kumar Bang	79,99,960	20.00%	79,99,960	14.60%
Venkata Ramana Reddy Gaggenapalli	32,00,000	8.00%	32,00,000	5.84%
<b>Total Promoters Shareholding</b>	<b>3,99,99,950</b>	<b>100.00%</b>	<b>3,99,99,950</b>	<b>72.99%</b>

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

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

**i) Tejaswini Yarlagadda**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding %	Post-issue Share Holding %	Pledge
04-08-2006	5,000	10.00	10.00	Cash	Subscriber to the MOA	0.013%	0.09%	No
14-05-2016	50,000	1.00	-	Nil	Sub-division of the existing shares	0.13%	0.09%	No
20-03-2018	19,50,000	1.00	1.04	Cash	Transfer from Malaxmi Agri Ventures Pvt Limited	4.88%	3.56%	No
21-09-2023	(2,00,000)	1.00	1.00	Cash	Transfer to B Pavan Kumar	-0.50%	-0.36%	No
09-10-2024	2,70,00,000	1.00	-	Nil	Bonus Issue	67.50%	49.27%	No
18-11-2024	(10)	1.00	-	Nil	Gift to Ravula Sashi	0.00%	0.00%	No
<b>Total</b>	<b>2,87,99,990</b>					<b>72.00%</b>	<b>52.55%</b>	No

**ii) Pavan Kumar Bang**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding %	Post-issue Share Holding %	Pledge
20-03-2018	3,00,000	1.00	1.04	Cash	Transfer from Malaxmi Agri Ventures Pvt Limited	0.75%	0.55%	No

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
21-09-2023	2,00,000	1.00	1.00	Cash	Transfer from Tejaswini Yarlagadda	0.50%	0.36%	No
09-10-2024	75,00,000	1.00	-	Nil	Bonus Issue	18.75	13.69%	No
11-11-2024	-10	1.00	-	Nil	Gift to Nupur Pavan Kumar Bang	(0.00)	0.00%	No
11-11-2024	-10	1.00	-	Nil	Gift to Sheetal Kumar Bang	(0.00)	0.00%	No
11-11-2024	-10	1.00	-	Nil	Gift to Meenu Bang	(0.00)	0.00%	No
11-11-2024	-10	1.00	-	Nil	Gift to Rajat Arun Totla	(0.00)	0.00%	No
<b>Total</b>	<b>79,99,960</b>					<b>20.00%</b>	<b>14.60%</b>	No

iii) Venkata Ramana Reddy Gaggenapalli

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
20-03-2018	2,00,000	1.00	1.04	Cash	Transfer from Malaxmi Agri Ventures Pvt Limited	0.50%	0.36%	No
09-10-2024	30,00,000	1.00	-	Nil	Bonus Issue	7.50	5.47%	No
<b>Total</b>	<b>32,00,000</b>					<b>8.00%</b>	<b>5.84%</b>	No

**Note:** All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus.

(j) As on date of this Draft Prospectus, our Company has 8 (Eight) shareholders only.

(k) The aggregate shareholding of the Promoters and Promoter Group and of the directors of the promoters, where the promoter is a body corporate:

The Aggregate shareholding of the Promoters & Promoter Group is as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoters</b>				
Tejaswini Yarlagadda	2,87,99,990	72.00%	2,87,99,990	52.55%
Pavan Kumar Bang	79,99,960	20.00%	79,99,960	14.60%
Venkata Ramana Reddy Gaggenapalli	32,00,000	8.00%	32,00,000	5.84%
<b>Total Promoters Shareholding</b>	<b>3,99,99,950</b>	<b>100.00%</b>	<b>3,99,99,950</b>	<b>72.99%</b>
<b>Promoter Group</b>				
Nupur Pavan Bang	10	0.00%	10	0.00%
Sheetal Kumar Bang	10	0.00%	10	0.00%
Meenu Bang	10	0.00%	10	0.00%

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Rajat Arun Totla	10	0.00%	10	0.00%
Ravula Shashi	10	0.00%	10	0.00%
<b>Total Promoters Group Shareholding (B)</b>	<b>50</b>	<b>0.00%</b>	<b>50</b>	<b>0.00%</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>4,00,00,000</b>	<b>100.00%</b>	<b>4,00,00,000</b>	<b>72.99%</b>

(l) *The aggregate number of specified securities purchased or sold by the promoter group and/or by the directors of the company and their relatives in the preceding six months:*

Name of Shareholder	Promoters/ Promoter Group/ Directors	Date of Transaction	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold/ Transferred	Nature of Transaction
Tejaswini Yarlagadda	Promoter & Director	09-10-2024	2,70,00,000	-	Bonus Issue
Pavan Kumar Bang	Promoter & Director	09-10-2024	75,00,000	-	Bonus Issue
Venkata Ramana Reddy Gaggenapalli	Promoter & Director	09-10-2024	30,00,000	-	Bonus Issue
Pavan Kumar Bang	Promoter & Director	11-11-2024	-	40	Transfer by Gift
Nupur Pavan Bang	Promoter Group	11-11-2024	10	-	Transfer by Gift
Sheetal Kumar Bang	Promoter Group	11-11-2024	10	-	Transfer by Gift
Meenu Bang	Promoter Group	11-11-2024	10	-	Transfer by Gift
Rajat Arun Totla	Promoter Group	11-11-2024	10	-	Transfer by Gift
Tejaswini Yarlagadda	Promoter & Director	18-11-2024	-	10	Transfer by Gift
Ravula Shashi	Promoter Group	18-11-2024	10	-	Transfer by Gift

(m) *There are no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, 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 in the six months immediately preceding the date of filing of the offer document.*

(n) **Promoter's Contribution:**

**(i) Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years**

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this draft prospectus, our Promoters collectively hold 3,99,99,950 Equity Shares constituting 72.99% of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 1,09,60,000 equity shares being 20.00% of the post Issue equity share capital of our Company are eligible for the Promoters' Contribution margin.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoters' Contribution ("Minimum Promoters' Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoters' 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.



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

*The details of lock-in of shares for 3 (three) years are as under:*

Date of Allotment / Acquisition	Date when made fully paid up	Nature of Allotment / Transfer	No. of Equity Shares	Face Value	Issue Price/ Transfer price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Lock in Period
<b>Tejaswini Yarlagadda</b>								
09-10-2024	09-10-2024	Bonus Issue	78,91,200	₹1.00	Nil	19.73%	14.40%	3 Years
<b>Pavan Kumar Bang</b>								
09-10-2024	09-10-2024	Bonus Issue	21,92,000	₹1.00	Nil	5.48%	4.00%	3 Years
<b>Venkata Ramana Reddy Gaggenapalli</b>								
09-10-2024	09-10-2024	Bonus Issue	8,76,800	₹1.00	Nil	2.19%	1.60%	3 Years
<b>Total</b>			<b>1,09,60,000</b>			<b>27.40%</b>	<b>20.00%</b>	

1,09,60,000 Pre-IPO equity shares of our company held by Our Promoters will be locked-in for 3 (three) years as mentioned above prior to listing of shares.

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
  - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
  - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.
- The price per share for determining securities ineligible for minimum promoters' contribution, has been determined after adjusting the same for corporate actions such as share split, bonus issue, etc. undertaken by the issuer.

Our Company was incorporated under the Companies Act, 1956 and was not incorporated by converting the partnership firm(s) or LLP(s).

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

## (ii) Details of Equity Shares Locked-in for two (2) years and one (1) year

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for a period as provided in clause 238(b) of SEBI (ICDR) Regulations 2018 which is as follows:-

- a. fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and
- b. remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

*The details of lock-in of shares for 2 (two) years and for 1 (one) year are as under:*

<i>Name of Shareholders</i>	<i>Category</i>	<i>No of Shares Held</i>	<i>Lock-in for 3 Years</i>	<i>Lock-in for 2 Years</i>	<i>Lock-in for 1 Year</i>
Tejaswini Yarlagadda	Promoter	2,87,99,990	78,91,200	1,04,54,395	1,04,54,395
Pavan Kumar Bang	Promoter	79,99,960	21,92,000	29,03,980	29,03,980
Venkata Ramana Reddy Gaggenapalli	Promoter	32,00,000	8,76,800	11,61,600	11,61,600
Nupur Pavan Bang	Promoter Group	10	-		10
Sheetal Kumar Bang	Promoter Group	10	-		10
Meenu Bang	Promoter Group	10	-		10
Rajat Arun Totla	Promoter Group	10	-		10
Ravula Shashi	Promoter Group	10	-		10
<b>Total</b>		<b>4,00,00,000</b>	<b>1,09,60,000</b>	<b>1,45,19,975</b>	<b>1,45,20,025</b>

**(iii) Other requirements in respect of lock-in**

➤ **Inscription or recording of non-transferability:**

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

➤ **Pledge of Locked-in Equity Shares**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- i. In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- ii. In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

➤ **Transfer of Locked-in Equity Shares**

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

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

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

**(iv) Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this Draft Prospectus:**

There is no other Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this Draft Prospectus except as mentioned in this chapter and Draft Prospectus.

- (o) Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
- (p) The Equity Shares issued pursuant to this Issue shall be fully paid-up.
- (q) Our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Prospectus except as otherwise mentioned in **“Risk Factors”** beginning on Page 23 of Draft Prospectus, if any.
- (r) The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this Draft Prospectus.
- (s) There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of issuer, in the preceding three years (separately for each year) and on a cumulative basis for all options or equity shares issued prior to the date of the Draft Prospectus.
- (t) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Prospectus.

**Other miscellaneous disclosures:**

1. None of the Equity Shares of our Company are subject to any pledge as on the date of this Draft Prospectus.
2. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this Draft Prospectus.
3. Except as disclosed in the chapter titled **“Our Management”** beginning on page 149 of this Draft Prospectus, none of our directors or Key Managerial Personnel or Senior Management holds any Equity Shares in our Company.
4. None of our Promoters, Promoter Group, our directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the Draft Prospectus.
5. We hereby confirm that there will be no further issue of capital whether by the 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 Prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.
6. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
7. Our Company has not issued Equity Shares out of Revaluation Reserves.
8. Our Company shall comply with such disclosures and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

9. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this Draft Prospectus.
10. Our Company has not raised any bridge loan against the proceeds of this issue.
11. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Draft Prospectus.
12. Our Company has not revalued its assets since incorporation.
13. An over-subscription to the extent of 10% of the Net Issue 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 10% of the Net 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 three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
14. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the 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.
15. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations.
16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
18. There are no Equity Shares against which depository receipts have been issued.
19. Other than the Equity Shares, there is no other class of securities issued by our Company.
20. This issue is being made through Fixed Price method.
21. This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:
  - (a) Minimum 50% to the individual investors who applies for minimum application size; and
  - (b) remaining to:
    - i. individual applicants who applies for more than minimum application size; and
    - ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the individual investors shall be allocated that higher percentage.
22. *Our Promoters and members of our Promoter Group will not participate in the Issue.*

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue includes a fresh Issue of up to 1,48,00,000 Equity Shares of our Company having face value of ₹ 1/- each at an Issue Price of ₹ 26/- per Equity Share aggregating to ₹ 3,848.00 Lakhs. Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on Stock Exchange.

#### The Objects of the Issue are:

- A. Funding Capital Expenditure for setting up of HDPE Ball Valves and Fittings Manufacturing Unit
- B. Repayment and/or pre-payment, in full or part, of certain borrowings
- C. To meet Working Capital Requirements
- D. To meet the Issue Expenses
- E. General Corporate Purposes

Our Company believes that listing will enhance our Company's corporate image, visibility of our brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

#### Issue Proceeds and Net Proceeds

The details of the proceeds of the Issue are set out in the following table:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Issue	3,848.00
(Less) Issue related expenses	367.84
<b>Net Proceeds</b>	<b>3,480.16</b>

The following table summarizes the requirement of funds:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount	% of total issue size*
A	Funding Capital Expenditure towards setting up HDPE Ball Valves and Fittings Manufacturing Unit	586.01	15.23%
B	Repayment and/or pre-payment, in full or part, of certain borrowings	390.40	10.15%
C	Working Capital Requirements	1,953.75	50.77%
D	Issue Related Expenses	367.84	9.56%
E	General Corporate Expenses	550.00	14.29%
	<b>Total IPO Proceeds</b>	<b>3,848.00</b>	<b>100.00%</b>
F	Less: Issue Related Expenses	367.84	9.56%
	<b>Net Issue Proceeds</b>	<b>3,480.16</b>	<b>90.44%</b>



**Schedule of estimated utilisation of funds:**

(₹ in Lakhs)

Sr. No.	Particulars	Amount to be financed from Issue Proceeds	Estimated utilisation of Issue Proceeds in 2025-26
A	Funding Capital Expenditure towards setting up HDPE Ball Valves and Fittings Manufacturing Unit	586.01	586.01
B	Repayment and/or pre-payment, in full or part, of certain borrowings	390.40	390.40
C	Working Capital Requirements	1,953.75	1,953.75
D	Issue Related Expenses	367.84	367.84
E	General Corporate Expenses	550.00	550.00
	<b>Total IPO Proceeds</b>	<b>3,848.00</b>	<b>3,848.00</b>

The fund requirement and deployment are based on internal management estimates 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 internal / external circumstances or costs or other financial conditions, business or strategy, as discussed further below. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, subject to regulatory approval required under applicable law. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal FY 2025-26. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial conditions, business strategy, and external factors such as market condition, result of changes in commercial or other factors, which may not be within the control of our management. This may entail re-scheduling or revising or increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management subject to compliance of applicable law. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 and other applicable law.

**Details breakup of the Use of the Proceeds****A. Funding Capital Expenditure towards setting up HDPE Ball Valves and Fittings Manufacturing Unit:****Estimated Cost of the Project**

(₹ in lakhs)

Particulars	Total Estimated Cost Amount	Cost Incurred	To be Incurred from IPO Proceeds
Land and Land Development Works	270.32	270.32	-
Building & Civil Works	189.89	7.70	182.19
Plant & Machinery	235.75		235.75
Miscellaneous Fixed Assets	126.93	-	126.93
Contingencies	41.14	-	27.63
<b>Total</b>	<b>864.03</b>	<b>278.02</b>	<b>586.01</b>

The total cost involved in setting up of HDPE Fittings Unit has been estimated by the management and is based on the quotations received from third party suppliers/contractors, and certified by Auditor vide Certificate dated March 25, 2024.

### Means of Finance

₹ in lakhs

Particulars	Total Estimated Cost Amount	Cost Incurred	To be Incurred from IPO Proceeds
IPO Fund	586.01	-	586.01
Internal Accrual	278.02	278.02	-
<b>Total</b>	<b>864.03</b>	<b>278.02</b>	<b>586.01</b>

Till the date of Draft Prospectus, our company has made payment of ₹ 278.02 lakhs towards land and land development works (based on statutory auditor certificate dated March 25, 2025). Since the project is ongoing, any further infusion of fund to complete the project on time after 29/03/2025 will be reimbursed/recouped from IPO Proceeds.

### Details of the Proposed HDPE Ball Valves and Fittings Manufacturing Unit

Considering the increasing demand of HDPE Fittings and Ball Valves, Chiraharit Limited proposes to set up a HDPE Fittings and Ball Valves Unit at Plot No. 41, Survey No. 185 & 186 situated at Plastic Park Mankhal, Tumaloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana with an estimated project cost of ₹ 850.52 lakhs.

### Objectives of the Proposed Facility:

- **Manufacturing of HDPE Valves and Fittings:**
  - The facility will house three injection moulding machines to manufacture HDPE ball valves ranging from DN32 to DN75 sizes.
  - This initiative addresses a significant gap in the Indian market, as the segment is currently emerging, with limited domestic manufacturers. Currently, Chiraharit Limited imports HDPE ball valves from China for internal use. By manufacturing these valves in-house, we aim to reduce dependency on imports, lower costs, and improve supply chain efficiency.
- **Modern Storage Infrastructure:**
  - A modern warehouse with multi-level racks will be constructed to streamline material storage and retrieval processes. This is critical to managing our expanding inventory efficiently and supporting the anticipated business growth.
  - The advanced storage setup will enhance operational efficiency, reduce material handling time, and support just-in-time inventory management, which is crucial for meeting client demands.

### Justification for the Proposed Facility:

- **Market Potential for HDPE Ball Valves:**
  - The demand for HDPE ball valves is rising due to their wide application in micro-irrigation systems, industrial pipelines, and water distribution networks.
  - By manufacturing these valves domestically, Chiraharit can capitalize on this emerging market and establish itself as a key player in this niche segment.
- **Cost and Quality Advantages:**
  - In-house production will enable us to exercise stringent quality control, ensuring high standards that meet and exceed customer expectations.
  - Eliminating import dependencies reduces lead times and costs, providing a competitive edge in pricing and reliability.
- **Operational Efficiency and Business Growth:**
  - The proposed modern warehouse will address the current space constraints, allowing for better stock management and faster order fulfilment.
  - Improved storage and retrieval systems will directly enhance customer satisfaction by ensuring timely delivery of materials.
- **Support for Business Expansion:**
  - As our business has grown significantly over the last year, we anticipate continued growth in the coming years. The facility will support this expansion by enabling us to scale operations efficiently without operational bottlenecks.

□ **Strategic Location and Sustainability:**

- The facility's location within the TGIIC industrial zone provides logistical advantages, reducing transportation costs and delivery timelines.
- Incorporating energy-efficient systems and processes aligns with Chiraharit's commitment to sustainability and environmental stewardship.

**Key Benefits of the Facility:**

- **Enhanced Self-Reliance:** Domestic production of HDPE ball valves will significantly reduce dependency on imports.
- **Increased Profitability:** Lower production costs and improved supply chain management will boost profitability.
- **Market Leadership:** By addressing a niche segment, Chiraharit can position itself as a key player in HDPE fittings and ball valves manufacturing.
- **Operational Excellence:** Advanced storage infrastructure will optimize inventory management and improve overall operational efficiency.

To ensure the successful implementation of this project, we have already acquired land measuring approximately 3,649 square meters, located at Plot No. 41, Survey Nos. 185 & 186, Plastic Park Mankhal, Tumaloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana. The total estimated cost of the proposed project is ₹ 864.03 lakhs. As of now, our company has made expenditure of ₹ 278.02 lakhs on land acquisition and development activities. The remaining project cost of ₹ 586.01 lakhs will be funded through the proceeds from the Initial Public Offering (IPO).

The facility is expected to be fully operational by October 2025. Once completed, it will address current operational challenges, reduce reliance on imports, and leverage emerging market opportunities. The project's success will be driven by the additional revenue generated from manufacturing HDPE ball valves and increased income from our core business operations. This initiative marks a significant step toward achieving self-reliance, enhancing operational efficiency, and fostering long-term business growth.

Our Company proposes to utilize ₹ 586.01 lakhs from IPO Proceeds towards funding part capital expenditure for proposed Assembling Unit.

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

The fund requirement and deployment are based on internal management estimates 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, other financial conditions, business or strategy. In case of any variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

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 and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

### ***Detailed Break-up of Capital Expenditure***

#### ***Land and Land Development***

Our company has already acquired land 3,649 square meter from Telangana State Industrial Infrastructure Corporation (TSIIC) Limited. The land is situated at Plot No. 41, Survey Nos. 185 & 186, Plastic Park Mankhal, Tumaloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana.

Particulars of Land	Name of Party	Date of Agreement	Amount (₹ in lakhs)
Land admeasuring about 3,649 sq. mtr. in Plot No. 41, Survey No. 185 & 186 situated at Plastic Park Mankhal, Tumaloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana	Telangana State Industrial Infrastructure Corporation Limited	January 11, 2021	160.56
Stamp Duty, Registration Fee, User Charges	Office of the Sub-registrar Office, Maheshwaram	January 12, 2021	6.63
<b>Total</b>			<b>167.19</b>

Land development activities and other civil works at the site have already been completed and our company has invested ₹ 103.13 lakhs for development of the land.

Specification of Works	Date of Placement of Order	Expected Date of Completion	Amount (₹ in lakhs)*
Land Development, Compound Wall and Gate Complex	Completed	Completed	103.13
<b>Total</b>			<b>103.13</b>

\* excluding GST, Duty and other Govt. Taxes

#### ***Building and Civil Works***

The Civil Cost of our proposed HDPE Valves and Fitting Manufacturing Unit is estimated to be ₹ 189.89 lakhs. The detailed break-up of Building and Civil Works are hereunder:

Specification of Works	Name of Party	Date of Quotation	Quotation valid up to	Date of Placement of Order	Expected Date of Completion	Amount (₹ in lakhs)*
Land Development, Concrete and Form Work, Masonry, Plaster and Pointing, Flooring, Skirting and Dado, Doors, Windows, Ventilators, Painting, Toilets, Storm Water Drainage System and Other Miscellaneous Works	The BOQ and Estimated Cost have been certified by A. Ajay Reddy, an Independent Chartered Engineer, through a certificate dated 18/12/2024. The company will carry out the Civil and Building Works on its own.			Work not commenced	Work not commenced	104.63
Design, Supply and Erection of Pre-Engineered Building (PEB)	Sahasra Building Solutions	Order Placed	Order Placed	January 27, 2024	June 30, 2025	85.26
<b>Total</b>						<b>189.89</b>

\* excluding GST

**Plant & Machinery**

The Plant & Machinery for proposed HDPE Valves and Fittings Unit is estimated to be ₹ 235.75 lakhs. The detailed break-up of Plant & Machinery is hereunder:

Name of Plant & Machinery	Name of Party	Date of Quotation	Quotation valid up to	Date of Placement of Order	Expected Date of Completion	Amount (₹ in lakhs)*
Electro Fusion Machine Electra Light W/Scan	Durel International LLP	December 16, 2024	June 13, 2025	Order not placed	Order not placed	23.50
Generator Set - GE 4000 R	Gastech Electronic Products Pvt. Ltd.	December 16, 2024	June 13, 2025	Order not placed	Order not placed	11.54
Plastic Injection Moulding Machine	Sri Stita Machinery Pvt. Ltd.	January 24, 2025	July 22, 2025	Order not placed	Order not placed	91.50
Plastic Injection Mould	Torrenza Mould Craft Pvt. Ltd.	December 09, 2024	June 06, 2025	Order not placed	Order not placed	33.80
Storage Racks	MEX Storage Systems Pvt. Ltd.	January 24, 2025	July 22, 2025	Order not placed	Order not placed	66.21
R O System - 500 LPH	Revolve Engineers Pvt. Ltd.	February 18, 2025	August 16, 2025	Order not placed	Order not placed	9.20
<b>Total</b>						<b>235.75</b>

\* excluding GST

**Misc. Fixed Assets**

The Misc. Fixed Assets for proposed HDPE Valves and Fittings Unit is estimated to be ₹ 126.93 lakhs. The detailed break-up of Misc. Fixed Assets is hereunder:

Name of Plant & Machinery	Name of Party	Date of Quotation	Quotation valid up to	Date of Placement of Order	Expected Date of Completion	Amount (₹ in lakhs)*
Ceilings, Reception Table, Chairs, Sofas, Reception Back Wall Panelling, Glass Partition with Aluminium Profile, Doors, Aerocon Partitions, Pantry, Workstations, Storage Unit, Huddle Room, Conference, MD Cabin Desks, Side Console Unit, Flooring, Carpet Tiles etc.	SPACE MAX Consultants Pvt. Ltd.	March 20, 2025	September 15, 2025	Order not placed	Order not placed	42.47
Electrical Cables, Cable Trays, Cable Laying Works - Supply	Build Max India	January 08, 2025	July 06, 2025	Order not placed	Order not placed	20.53
Electrical Cables, Cable Trays, Cable Laying Works - Installation	Build Max India	January 08, 2025	July 06, 2025	Order not placed	Order not placed	5.98
Main PCC with 105 kvar APFC Panel - Supply	Build Max India	January 08, 2025	July 06, 2025	Order not placed	Order not placed	7.25
250KVA, 11000/433V Transformers with OFF CIRCUIT Tap Changer	Build Max India	January 08, 2025	July 06, 2025	Order not placed	Order not placed	12.00
ERP Business Solution	PACT Software Services Pvt. Ltd.	December 02, 2024	May 30, 2025	Order not placed	Order not placed	38.70
<b>Total</b>						<b>126.93</b>

\* excluding GST



### Contingency

Even through the Company has received firm quotations for plant and machinery and for building and civil works, however there are some items which are yet to be finalized such as Chilling Plant, Fork Lift, Water Pipe Line, Lab Equipment, Hybrid Laser Maker etc. Hence our company has considered a contingency of 5% on total project cost i.e. ₹ 41.14 lakhs, for purchase of unordered components and to take care of any cost escalations, freight expenses, insurances during the course of implementation of the Project.

### Other confirmations relating to the proposed assembling unit:

- ☐ We have considered the above quotations for the budgetary estimate purposes and as on date of this Draft Prospectus. Our company has not placed orders for some of the items and payment for the same has not been made. The actual cost of procurement and actual supplier may vary.
- ☐ We have not entered into definitive agreements with any of these suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the equipment or at the same costs.
- ☐ We do not intend to purchase any second-hand machinery or equipment. The quantity of plant and machinery to be purchased is based on quotations received from suppliers and estimates of our management. The Management shall have the flexibility to revise such quantities/ estimates (including but not limited to change of the supplier or addition/deletion of any quantity of plant and machinery) at the time of actual placement of the order. Furthermore, if any surplus from the proceeds remains after meeting the total cost of the plant and machinery for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 15% of the amount raised by our Company through this Issue or ₹ 10.00 crores whichever is lower.
- ☐ 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 at the actual time of completion, resulting in increase in the cost. Further, cost can be escalated on account of freight expenses and incidental charges. Such cost escalation would be met out of either of surplus portion of net issue proceeds (if any) or our internal accruals.
- ☐ The purchase of equipment/machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule, technology advancement and other market factors prevailing at that time.
- ☐ Any additional costs incurred beyond the above in relation to above object, will be met from internal accruals of our Company.

The proposed Schedule of Assembling Unit is as follows:

Particular	Estimated month of	
	Commencement	Completion
Land and Land Development Works	Completed	Completed
Order for Building and Civil Works	January' 2025	April' 2025
Construction of Building and Civil Works	April' 2025	July' 2025
Order of Plant & Machinery, Misc. Fixed Assets	June' 2025	July' 2025
Delivery of Plant & Machinery	June' 2025	August' 2025
Installation of Plant & Machinery	August' 2025	August' 2025
Trial Run	September' 2025	September' 2025
Commercial Operation	October' 2025	

**B. Repayment and/or pre-payment, in full or part, of certain borrowings**

Our Board in its meeting dated March 25, 2025 took note that an amount of ₹ 390.40 Lakhs is proposed to be utilised for repayment/ prepayment of certain borrowings availed by our Company from the Net Proceeds. Our Company has entered into financial arrangements from time to time with various banks and financial institutions. The outstanding loan facilities entered into by our Company include secured and unsecured borrowing in the form of Loan against property of our Company and personal guarantees of the Directors and Promoters. As on September 30, 2024, the aggregate outstanding secured borrowings of our Company (Standalone) from ICICI Bank is ₹ 739.76 Lakhs and outstanding unsecured borrowing of our Company (standalone) from ICICI Bank is ₹ 93.74 lakhs. Our Company proposes to utilise an estimated amount of ₹ 390.40 Lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of borrowings availed by us.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary after payment of due instalments. In light of the above, at the time of filing the Prospectus, the table below shall be suitably updated to reflect the revised amounts or loan as the case may be which have been availed by us.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, debt servicing costs assist us in maintaining a favourable debt-to-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides the details of outstanding borrowings availed of by our Company which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

The details of the outstanding loans which are proposed for repayment or prepayment, in full or in part from the Net Proceeds are set forth below. The loan facilities are listed below in no particular order of priority.

**Chiraharit Limited**

(Amount Rs. In Lakhs)

Name of Lender	Date of Sanction	Purpose	Repayment Terms	Rate of Interest	Sanctioned Amount	Outstanding as on 30/09/2024
Dropline Over Draft Limit from ICICI	26-10-2023	Working Capital	Renewal in 12 months	9.75%	450.00	405.00
Cash Credit from ICICI	29-04-2022	Working Capital	Renewal in 12 months	10.00%	600.00	334.76
Unsecured Business Loan from ICICI Bank	31-07-2024	Working Capital	48 months	15.10%	95.00	93.74
<b>Total of Fund Based Secured and Unsecured Loan</b>					<b>1,145.00</b>	<b>833.50</b>

For further details, please refer “**Financial Indebtedness**” on page 221 of this Draft Prospectus.

**In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which it was availed pursuant to their certificate dated 25/03/2025.**

**C. Working Capital Requirement and basis of estimation:**

Our business is highly working capital intensive and the company funds a majority of the working capital requirement through internal accruals and short-term borrowings. As on September 30, 2024, the Company has total secured sanctioned limit of fund based working capital facilities (Standalone) of ₹ 1,050.00 lakhs out of which they have utilized ₹ 739.76 lakhs. The Company has also utilised unsecured loan amounting to ₹ 532.24 Lakhs as on September 30, 2024. The company has also non-fund based limit of ₹ 100.00 Lakhs for bank guarantee. The major working capital are required for procuring the raw materials and products we deal in, Work in Progress for Finished Goods, and Sundry Debtors etc. as the money gets blocked in them. The revenue from operations has been increased from ₹ 2,204.33 Lakhs in FY 2021-22 to ₹ 2,845.78 Lakhs for six-month period ended September 30, 2024. As on September 30, 2024, the working capital requirement on standalone basis was ₹ 1,576.82 Lakhs from the existing level of business operations.

As per the management estimation, the working capital requirement for FY 2025-26 and FY 2026-27 is expected to be ₹ 4,219.86 Lakhs and ₹ 5,306.77 Lakhs respectively, based on the current and future orders that may be received, for funding future growth requirements of the Company and for other strategic, business and corporate purposes. The major capital will be invested in the procuring of the raw materials for the products we deal in, maintaining stocks and Sundry Debtors as the money gets blocked in them resulting in additional working capital requirements.

#### Basis of estimation of Working Capital Requirements

Details of Company's working capital for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the source of funding, on the basis of Restated Financial Information of our Company as set out in the table below:

Particulars	31-03-2027	31-03-2026	31-03-2025	30-09-2024	31-03-2024	31-03-2023	31-03-2022
	Estimated (₹ in lakhs)			Standalone Audited (₹ in lakhs)			
Cash & Bank Balance	66.20	39.33	12.64	12.04	1.45	0.69	3.72
Sundry Debtors	3,287.67	2,630.14	1,353.42	1,523.74	914.28	621.57	624.11
Inventory	1,232.88	986.30	427.40	246.48	152.52	104.47	72.08
Short Term Loans and Advances	700.00	650.00	371.31	344.56	321.24	274.21	178.76
Other Current Assets	596.63	441.01	151.00	115.18	92.20	220.07	85.50
<b>Total Current Assets</b>	<b>5,883.38</b>	<b>4,746.78</b>	<b>2,315.77</b>	<b>2,242.00</b>	<b>1,481.69</b>	<b>1,221.01</b>	<b>964.17</b>
Sundry Creditors	161.61	146.92	117.54	320.79	309.84	201.32	195.21
Other Current Liabilities	415.00	380.00	386.34	344.39	147.90	127.10	92.07
<b>Total Current Liabilities</b>	<b>576.61</b>	<b>526.92</b>	<b>503.88</b>	<b>665.18</b>	<b>457.74</b>	<b>328.42</b>	<b>287.28</b>
<b>Working Capital Gap</b>	<b>5,306.77</b>	<b>4,219.86</b>	<b>1,811.89</b>	<b>1,576.82</b>	<b>1,023.95</b>	<b>892.59</b>	<b>676.89</b>
<b>Source of Working Capital</b>							
Proceeds from IPO	-	1,953.75	-	-	-	-	-
Short Term Borrowings	250.00	300.00	750.00	758.73	600.98	484.85	341.37
Internal Accrual	5,056.77	1,966.11	1,061.89	818.09	422.97	407.74	335.52
<b>Total</b>	<b>5,306.77</b>	<b>4,219.86</b>	<b>1,811.89</b>	<b>1,576.82</b>	<b>1,023.95</b>	<b>892.59</b>	<b>676.89</b>

#### Justification for Increase in working capital requirement:

The establishment of the proposed HDPE Valves and Fittings unit, as detailed in the IPO, will enable our company to tackle existing operational challenges, reduce dependence on imports, and capitalize on emerging market opportunities and the project's success will be fuelled by the additional revenue from manufacturing HDPE ball valves and increased income from our core business operations. This initiative will be a pivotal step in achieving self-reliance, improving operational efficiency, and driving long-term business growth.

As of 25/03/2025, the company has an outstanding order book of ₹ 4,169.87 lakhs, comprising of Solar Module Cleaning System, Water Pipeline Solutions for Industrial and Residential Projects and Irrigation Solutions for Agriculture and Landscape Irrigation. This clientele includes a mix of renowned Indian industrial entities, and government-owned enterprises, reflecting the company's strong market presence and credibility. Their status and stature further underscore the issuer company's strong client portfolio, reliability, and trustworthiness as a business partner.

#### Assumption on working capital requirement:

We have estimated our working capital requirement based on the following holding periods which are as per industry standard:

Particulars	31-03-2027	31-03-2026	31-03-2025	30-09-2024	31-03-2024	31-03-2023	31-03-2022
Sundry Debtors Holding period (In Days)	120	120	95	98	141	79	104
Inventory Holding Period (In Days)	45	45	30	16	24	13	12
Sundry Creditor Holding Period (In Days)	8	9	12	29	66	32	40

**Justification for Holding Period:**

Particulars	Details
Sundry Debtors	The sundry debtor holding periods depends on lots of factor like prevailing market condition, customers demand, trust to capture market etc. Sometimes, we have to also offer extra credit period to boost the topline and retained the clients or to get new clients. In Fiscal 2022, 2023 and 2024 the average Sundry Debtor holding period was ~79 to 141 days. Going forward, we are estimating to maintain the Debtor holding period at levels of 120 days from FY 2025-26 onwards as per the affordability to increase the top line as well to retain present & future customers as per the demand and market practice and new products that will be added after the new capex to create a market for them with an added credit facility to customers.
Inventories	The inventory mainly consists of Raw Materials, Work in progress, finished goods etc. Being the nature of our business, we required material in large quantity to stores. Inventory levels are maintained by our Company depending upon the demand. In Fiscal 2022, 2023 and 2024 our average Inventory holding period was ~12 to 24. Going forward, we are estimating to maintain the Inventory holding period at levels of 45 days from FY 2025-26 onwards as per the prevailing market condition and estimated topline growth in future. By carrying inventory of our components, we will be able to acquire and service more customers which will have a positive impact on our topline and bottom line.
Sundry Creditors	The Creditors holding periods depends upon the demand and prevailing market condition. In Fiscal 2022, 2023 and 2024 our average Sundry Creditor holding period was ~32-60 days. Going forward, we are estimating to maintain the Creditors holding period at levels of 10-15 days from FY 2025-26 as per the demand, our market practice and due to better expected cash flow and more bargaining power from our suppliers.
Cash and Cash Equivalents	The Key items under this head are Cash-in-hand and Bank Balance in current account. The increase in amount of Cash and Cash Equivalent is considered on account of increase in operations and turnover, and such amounts will be required to meet the day-to-day expenses and to take advantage of situations of price fluctuations, etc.
Short Term Loans and Advances and Other Current Assets	The key items under this head are advance to suppliers/employees etc, balance with government authorities and Retention money deducted by our client etc. Going forward, we are expecting to more advance payment to our suppliers for reservations and getting better margin from them and accordingly its expected to be increased in near future
Other Current Liabilities and Short-Term Provisions	Other current liabilities include advance from customers, provisions, statutory dues, expenses payable, etc. However, going forward, we do not foresee any major change and expected to get proportionally increased due to increase in operations and turnover

**D. General Corporate Purpose:**

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 15% of the amount being raised by our Company or ₹10 crores, whichever is less through this issue, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., ₹ 550.00 Lakhs, which is 14.29% of the amount being raised by our company through this issue, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) Strategic initiatives, partnerships, joint ventures and acquisitions;
- (ii) Brand building and strengthening of promotional & marketing activities and advisory;
- (iii) Enhancing infrastructure and facilities;
- (iv) Meeting exigencies and contingencies which our company in the ordinary course of business may not foresee; and
- (v) Any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the balance Net Proceeds for general corporate purposes, as mentioned above.

#### E. Issue Related Expense:

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Estimated Expenses (Rs. In Lakhs)	% of Total Issue Expenses	% of the Total Issue Size
Lead Manager Fees (including Underwriting Commission)	101.96	27.72%	2.65%
Registrar to the issue, Legal Advisor, Auditors, Market Maker, Sponsor Bank and Bankers to the Issue, Bidding charges, Printing and distribution of Issue Stationary	19.00	5.17%	0.49%
Regulators Including Stock Exchanges	16.00	4.35%	0.42%
Advertising, Marketing and Advisory Expenses	230.88	62.77%	6.00%
<b>Total</b>	<b>367.84</b>	<b>100.00%</b>	<b>9.56%</b>

#### Note:

- **ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them.
- The SCSBs would be entitled to processing fees of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.
- **SYNDICATE ASBA:** Other intermediaries (syndicate/sub-syndicate/registered broker/CRTAs/CDPs or for using 3-in-1 type account i.e. linked online trading, demat and bank account provided by some of the registered brokers) will be entitled to selling commission of ₹10/- (plus GST) per valid application form wherein the shares has been allotted for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.
- **Sponsor banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹ 7/- (plus GST) (or mutually decided and agreed) per valid application form wherein the shares has been allotted, using the UPI mechanism for processing. 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 and other applicable laws.
- The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant registered broker and other intermediaries.
- Any expenses incurred towards IPO related expenses will be reimbursed/recouped out of the gross proceeds of the Issue.
- The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.



- Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs/LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

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

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

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

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

### **Interim Use of Proceeds**

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

### **Monitoring Utilization of Funds**

As the Issue size is less than Rs. 5,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

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

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

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Further, pursuant to Regulation 281A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 our Promoters or shareholders in control of an issuer will be required to provide an exit opportunity to dissenting shareholders as provided for



in the Companies Act, 2013 in case of change in objects or variation in the terms of contract related to objects referred to in the offer document as per the conditions and in the manner provided. Provided that the exit offer shall not apply where there are neither any identifiable promoters nor any shareholders in control of the issuer.

**Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel or Senior Management, 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 or Senior Management, except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

The Issue Price of ₹26/- per Equity Share has been determined by our Company, in consultation with the Lead Manager and justified by our Company, on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹1/- and Issue Price is ₹26/- which is 26 times of the face value. Investors should also refer **“Our Business”**, **“Risk Factors”** and **“Financial Statements as Restated”** beginning on page no. 106, 23 and 180 respectively, of this draft prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS:

Some of the qualitative factors, which form the basis for computing the price, are –

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers
- Quality Assurance & Control

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, **“Our Business”**, beginning on page no. 106 of this draft prospectus.

### QUANTITATIVE FACTORS:

The information presented in this section is derived from our Company’s Restated Financial Statements for the Six-months period ended September 30, 2024 and for the financial year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled **“Financial Statements as Restated”** beginning on page no 180 of this draft prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS) as adjusted for changes in capital for last 3 years:

##### Earnings Per Share as per the Company’s Restated Financial Information

Particulars	Basic & Diluted EPS (Rs.)		Weight
	With Retrospective Effect of Bonus#	As per Restated (Book Value)	
Year ended March 31, 2022	0.23	3.74	1
Year ended March 31, 2023	0.11	1.68	2
Year ended March 31, 2024	0.15	2.41	3
<b>Weighted Average</b>	<b>0.15</b>	<b>2.39</b>	
<b>For six months period ended on September 30, 2024 (Not annualized)</b>	<b>0.95</b>	<b>15.24</b>	

a. **Basic & Diluted EPS:** EPS has been calculated as PAT/Weighted average no. of shares outstanding for particular period/year in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share' issued by ICAI.

b. **Weighted average:** Aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]

# On 09-10-2024 i.e., after Restated Period, Company has allotted 3,75,00,000 Equity Shares as a Bonus Issue in the ratio of (15:1) i.e., Fifteen Equity Share for every One fully paid-up equity share held by existing shareholders of Face Value Rs. 1/- each, for which ratio has been calculated separately with retrospective effect as mentioned above.

(For further details, please refer chapter **“Capital Structure”** and **“Financial statement as Restated”** beginning from page no. 58 and 180 respectively of this draft prospectus.)

**2. Price to Earning (P/E) Ratio in relation to the Issue Price of ₹26/- per equity share of face value of ₹ 1/- each**

Particulars	P/E Ratio	
	With Retrospective Effect of Bonus#	As per Restated (Book Value)
P/E ratio based on the Basic & Diluted EPS as on March 31, 2024	172.36	10.77
<b>P/E ratio based on the Weighted Average EPS</b>	173.33	10.88
<b>P/E ratio based on the Basic &amp; Diluted EPS for the period ended September 30, 2024 (Not annualized)</b>	<b>27.29</b>	<b>1.71</b>

Notes: The P/E Ratio of our company has been computed by dividing Issue Price with EPS

**3. Average Return on Net Worth (RoNW) for last 3 years as per the Company's Restated Financial Information**

Particulars	RONW in %	Weight
Year ended March 31, 2022	49.31%	1
Year ended March 31, 2023	16.35%	2
Year ended March 31, 2024	18.20%	3
<b>Weighted Average</b>	<b>22.77%</b>	
<b>For the six months period ended on September 30, 2024 (Not annualized)</b>	<b>52.83%</b>	

**Weighted average:** Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e.  $[(Return\ on\ Net\ Worth \times Weight)\ for\ each\ year] / [Total\ of\ weights]$

**Note:** Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

**4. Net Assets Value:**

Particulars	With Retrospective Effect of Bonus#	As per Restated (Book Value)
Net Asset Value per Equity Share as of March 31, 2024	0.83	13.26
<b>For the period ended on September 30, 2024 (Not annualized)</b>	<b>1.80</b>	<b>28.85</b>
<b>Net Asset Value per Equity Share after the Issue</b>	<b>8.34</b>	
<b>Issue Price per equity share</b>	<b>26.00</b>	

Note: Net Asset Value per equity share represents "total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equities shares outstanding as at the end of year/period.

**5. Comparison with other listed companies/Industry peers:**

Considering the nature and product manufactured by our company, turnover and size of business of our Company, the peer companies mentioned below are not strictly comparable. However, the below mentioned listed company have been taken into consideration as peer comparative listed companies and has been included for broad comparison only.

Name of Company	CMP (in ₹)**	Face Value (in ₹)	EPS Basic	NAV per Equity Share	P/E Ratio	RONW (%)	Turnover (₹ in Lakhs)
<b>Peer Group#</b>							
Polysil Irrigation Systems Limited	22.05	10.00	2.06	22.01	10.70	8.30%	4,446.42
<b>Issuer Company</b>							
Chiraharit Limited^	26.00	1.00	0.15	0.83	172.36	18.20%	3,056.55

*#Considering the nature and size of business of the Company, the peers may not be exactly comparable. Hence a strict comparison is not possible. However, the above companies have been included for broader comparison.*

*^ Based on full completed financial year ended on March 31, 2024 on Restated basis.*

*\*Source for Peer Companies: Annual Reports and stock exchange data (figures as on March 31, 2024)*

*\*\*CMP as on 24/03/2025 for Peer Group and IPO price for Chiraharit Limited.*

## 6. Key Operational and Financial Performance Indicators:

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been used historically by the Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated March 25, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by M/s. G P Associates, Chartered Accountants, by their certificate dated March 25, 2025.

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

Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basis for evaluating the overall performance of our Company

### 6.1 Financial KPIs of our Company:

Particulars	₹ in lakhs except percentage and ratios			
	30-09-2024*	31-03-2024	31-03-2023	31-03-2022
Total Income	3,267.83	3,057.42	3,303.16	2,448.04
Growth (%)	6.88%	-7.44%	34.93%	13.02%
Revenue from Operation	3,267.61	3,056.55	3,288.78	2,442.60
EBITDA (Operating Profit)	598.16	235.73	168.68	161.71
EBITDA Margin (%)	18.31%	7.71%	5.13%	6.62%
PAT	381.08	60.34	42.05	93.62
Growth (%)	531.58%	43.49%	-55.08%	93.66%
PAT Margin (%)	11.66%	1.97%	1.28%	3.83%
EPS (Basic & Diluted) - (As per end of Restated period)	15.24	2.41	1.68	3.74
EPS (Basic & Diluted) - (Post Bonus with retrospective effect)	0.95	0.15	0.11	0.23
Total Borrowings	1867.98	1630.03	1592.34	1270.90
Total Net Worth (TNW)	721.28	331.45	257.17	189.86
RONW (%)	52.83%	18.20%	16.35%	49.31%
ROCE%	22.49%	10.50%	8.58%	10.77%
Debt Equity Ratio (Total Borrowing/TNW)	2.59	4.92	6.19	6.69

*\* Data as on 30/09/2024 are for six months only and not annualised, so it's not truly comparable.*

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** beginning on page 106 and 226 respectively of Draft Prospectus. All such KPIs have been defined consistently and precisely in **“Definitions and Abbreviations”** on page 2 of Draft Prospectus.

### 6.2 Comparison of KPIs with listed Industry Peers:

Considering the nature and product manufactured by our company, turnover and size of business of our Company, the peer companies mentioned below are not strictly comparable. However, the below mentioned listed company have been taken into consideration as peer comparative listed companies and has been included for broad comparison only.

₹ in lakhs except percentage and ratios

Particulars	Polysil Irrigation Systems Limited		
	31-03-2024	31-03-2023	31-03-2022
Total Income	4,456.42	4,392.49	3,767.21
Growth (%)	1.46%	16.60%	NA
Revenue from Operation	4,446.42	4,387.66	3,762.27
EBITDA (Operating Profit)	566.56	466.83	322.97
EBITDA Margin (%)	12.74%	10.64%	8.58%
PAT	207.17	86.80	66.50
Growth (%)	138.68%	30.53%	NA
PAT Margin (%)	4.66%	1.98%	1.77%
EPS (Basic & Diluted)	2.06	0.88	0.67
Total Borrowings	1,670.28	1,547.25	1,494.96
Total Net Worth (TNW)	2,496.74	1,535.71	1,398.79
RONW (%)	10.28%	5.92%	4.86%
ROCE%	11.61%	12.26%	8.67%
Debt Equity Ratio (Total Borrowing/TNW)	0.67	1.01	1.07

Source: All the financial information for listed industry peer mentioned above is sourced from the regulatory filings made by aforesaid companies to stock exchanges for the respective year/period to compute the corresponding financial ratios.

#### Explanation for the Key Performance Indicators

1. Total Income means Revenue from Operations and Other Incomes as appeared in the Restated Financial Statements;
2. Total Income Growth (%) is calculated as a percentage of Total Income of the relevant period minus Total Income of the preceding period, divided by Total Income of the preceding period.
3. Revenue from operations means Revenue from Operations as appearing in the Restated Financial Statements;
4. EBITDA (operating profit) means Earnings from operation before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation and amortisation and impairment expense and reducing other income;
5. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
6. PAT represents total profit after tax for the year / period;
7. PAT Growth (%) is calculated as a percentage of PAT of the relevant period minus PAT of the preceding period, divided by PAT of the preceding period.
8. PAT Margin is calculated as PAT divided by revenue from operation;
9. Basic and Diluted EPS = PAT divided by weighted average no. of equity shares outstanding during the year / period, as adjusted for changes in capital due to sub-division of equity shares; For Diluted EPS, the weighted no. of shares shall include the impact of potential convertible securities;
10. Total Borrowings are calculated as total of current and non-current borrowings;
11. "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as per SEBI ICDR Regulations;
12. "RONW" is calculated Profit after Tax for the period / Net Worth;
13. "ROCE" is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed;
14. Debt Equity Ratio: This is defined as total debt divided by total equity. Total debt is the sum of total current & noncurrent borrowings; total equity means sum of equity share capital and other equity;

#### Explanation for Key Performance Indicators metrics

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company:

KPI	Explanation
Total Income	Total income is used by the management to track revenue from operations and other income.
Total Income Growth (%)	Total Income growth provides information regarding the growth of the Total Income for the respective period
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business
EBITDA (Operating Profit)	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 (PAT) for the year / period provides information regarding the overall profitability of the business
PAT Growth (%)	Profit after tax growth provides information regarding the growth of the operational performance for the respective period
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business
EPS (Basic & Diluted) (%)	EPS provide information on per share profitability of our Company which helps us in taking key corporate finance decisions
Total Borrowings	Total Borrowings is used by us to track our leverage position on time to time
Net Worth	Net worth is used to track the book value and overall value of shareholders' equity
RONW	RONW provides how efficiently our Company generates earnings for the equity shareholders of the Company.
ROCE	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Debt Equity Ratio	Debt to Equity Ratio is used to measure the financial leverage of our Company and provides comparison benchmark against peers

For evaluation of our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Financial Information. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

## 7. 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 have been no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of the Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

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

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) The price per share of issuer Company based on the Primary or secondary sale / acquisition of shares (equity / convertible securities)

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 Promoters / Promoter Group members or shareholder(s) having



the right to nominate director(s) in the Board of the issuer Company, are a party to the transaction), not older than 3 years prior to date of draft prospectus irrespective of the size of transactions, is as below:

**Primary Transaction:**

Date of Allotment	No. of Equity Shares	Face Value (in ₹)	Issue Price (in ₹)	Nature/Reason of Allotment	Nature of Consideration	Total Consideration (in ₹)
Nil						

**Secondary Transaction:**

Date of Allotment/ Transfer	No. of Equity Shares	Face Value (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of acquisition (Allotment/ Acquired/ transfer)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)
11-11-2024	10	1.00	-	Transfer	Gift	0.00%
11-11-2024	10	1.00	-	Transfer	Gift	0.00%
11-11-2024	10	1.00	-	Transfer	Gift	0.00%
11-11-2024	10	1.00	-	Transfer	Gift	0.00%
18-11-2024	10	1.00	-	Transfer	Gift	0.00%
<b>Weighted Average Cost of Acquisition (WACA) per Equity Share</b>						--

**(d) Weighted Average Cost of Acquisition and Offer Price**

Type of Transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Offer Price (i.e. ₹15/-)
Weighted average cost of acquisition of primary / new issue as per paragraph 7(a) above <sup>^</sup>	--	--
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 7(b) above <sup>^^</sup>	--	--
Weighted average cost of acquisition of primary issuances /secondary transactions as per paragraph 7(c) above	--	--

<sup>^</sup>There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 7(a) above, in last 18 months from the date of this Draft Prospectus.

<sup>^^</sup>There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) as mentioned in paragraph 7(b) above, in last 18 months from the date of this Draft Prospectus.

8. The face value of Equity Shares of our Company is ₹1/- per Equity Share and the Issue Price of ₹26/- per Equity Share is 26.00 times of the face value.
9. The Issue Price of ₹26/- is determined by our Company in consultation with the Lead Manager and is justified based on the above accounting ratios. For further details, please refer to the section titled “**Risk Factors**”, and chapters titled “**Our Business**” and “**Financial Statements as Restated**” beginning on page no. 23, 106 and 180, respectively of this Draft Prospectus.

<b>STATEMENT OF POSSIBLE TAX BENEFITS</b>
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**To,**  
**The Board of Directors,**  
**Chiraharit Limited,**  
 (Formerly known as “Chiraharit Private Limited)  
 Malaxmi Courtyard, Survey No.157  
 Khajaguda Village,  
 Chitrapuri Colony Post,  
 Hyderabad 500 104.  
 Telangana, India.

Dear Sir (s) / Madam (s),

**Sub: Statement of possible Special tax benefit (‘the Statement’) available to M/s Chiraharit Limited and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the ‘Regulations’)**

**Ref: Proposed Initial Public Offering (“IPO”) of Equity Shares by M/s Chiraharit Limited (“The Issuer” or “The Company”)**

We refer to the proposed initial public offering of equity shares (the "**Offer**") of the Company. We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "**GST Act**"), the Customs Act, 1962 and the Customs Tariff Act, 1975, (collectively the "**Taxation Laws**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2025-2026 relevant to the financial year 2024-25 for inclusion in the Draft Prospectus/ Prospectus ("**Offer Document**") for the proposed offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of taxation laws. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- The Company or its Shareholders will continue to obtain these benefits in future:
- The conditions prescribed for availing the benefits have been/would be met; and
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the offer document for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

**LIMITATIONS**

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume Reliance on responsibility to update the views consequent to such changes. the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India (“**SEBI**”) (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Thanking You,

For **G P Associates**  
Chartered Accountants  
FRN: 006734S

Sd/-

**CA K Abhinav**  
Designation: Partner  
Membership Number: 242972  
Place: Hyderabad  
Date: 25/03/2025  
UDIN: 25242972BMHXYT3763

**ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS****DIRECT TAXATION**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ("**the Act**"), as amended by Finance Act, 2024 i.e., applicable for Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India.

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

**1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY:**

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

**2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

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

**INDIRECT TAXATION**

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("**GST law**"), the Customs Act, 1962, Customs Tariff Act, 1975 ("**Customs law**") and Foreign Trade Policy 2023 ("**FTP**") (collectively referred as "**Indirect Tax**").

**1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY:**

There are no special tax benefits available to the Company under GST law.

**2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax.

Thanking You,

For **G P Associates**  
Chartered Accountants  
FRN: 006734S

Sd/-

**CA K Abhinav**  
Designation: Partner  
Membership Number: 242972  
Place: Hyderabad  
Date: 25/03/2025  
UDIN: 25242972BMHXYT3763

## SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY

### INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is obtained or extracted from “www.ibef.org” and also extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that 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. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

### GLOBAL ECONOMY OVERVIEW

#### Executive Summary

*Global growth is expected to hold steady at 2.7 percent in 2025-26. However, the global economy appears to be settling at a low growth rate that will be insufficient to foster sustained economic development—with the possibility of further headwinds from heightened policy uncertainty and adverse trade policy shifts, geopolitical tensions, persistent inflation, and climate-related natural disasters. Against this backdrop, emerging market and developing economies (EMDEs)—which fuel 60 percent of global growth—are set to enter the second quarter of the twenty-first century with per capita incomes on a trajectory that implies substantially slower catch-up toward advanced-economy living standards than they previously experienced. Without course corrections, most low-income countries are unlikely to graduate to middle-income status by the middle of the century. Policy action at both global and national levels is needed to foster a more favourable external environment, enhance macroeconomic stability, reduce structural constraints, address the effects of climate change, and thus accelerate long-term growth and development.*

#### Global Outlook

Global growth is stabilizing as inflation returns closer to targets and monetary easing supports activity in both advanced economies and emerging market and developing economies (EMDEs). This should give rise to a broad-based, moderate global expansion over 2025-26, at 2.7 percent per year, as trade and investment firm. However, growth prospects appear insufficient to offset the damage done to the global economy by several years of successive negative shocks, with particularly detrimental outcomes in the most vulnerable countries.

From a longer-term perspective, catch-up toward advanced economy income levels has steadily weakened across EMDEs over the first quarter of the twenty-first century. Heightened policy uncertainty and adverse trade policy shifts represent key downside risks to the outlook. Other risks include escalating conflicts and geopolitical tensions, higher inflation, more extreme weather events related to climate change, and weaker growth in major economies. On the upside, faster progress on disinflation and stronger demand in key economies could result in greater-than-expected global activity.

The subdued growth outlook and multiple headwinds underscore the need for decisive policy action. Global policy efforts are required to safeguard trade, address debt vulnerabilities, and combat climate change. National policy makers need to resolutely pursue price stability, as well as boost tax revenues and rationalize expenditures in order to achieve fiscal sustainability and finance needed investments. Moreover, to raise longer-term growth and put development goals on track, interventions that mitigate the impact of conflicts, lift human capital, bolster labor force inclusion, and confront food insecurity will be critical.

#### Regional Prospects

Against a backdrop of heightened trade restrictive measures and subdued global growth, EMDE regions face varying growth prospects this year. Growth is projected to moderate in East Asia and Pacific, amid weak domestic demand in China, as well as in Europe and Central Asia due to decelerations in some large economies following strong growth last year. In contrast, a pickup is anticipated in Latin America and the Caribbean, the Middle East and North Africa, South Asia, and Sub-Saharan Africa, partly underpinned by robust domestic demand. In 2026, growth is expected to strengthen in most regions.

The year 2025 will mark the end of the first quarter of the twenty-first century—a good time to review the performance of emerging and developing economies since 2000 and assess their prospects. This edition of the *Global Economic Prospects* report features two analytical chapters that offer a quarter-century report card. One chapter provides insights into the prospects and challenges of middle-income emerging and developing economies; the other covers the performance of the poorest countries.

### **From Tailwinds to Headwinds: Emerging and Developing Economies in the Twenty-First Century.**

The first quarter of the twenty-first century has been transformative for EMDEs. These economies now account for about 45 percent of global GDP, up from 25 percent in 2000, a trend driven by robust collective growth in the three largest EMDEs—China, India, and Brazil (the EM3). Collectively, EMDEs have contributed about 60 percent of annual global growth since 2000, on average, double the share during the 1990s. Their ascendance was powered by swift global trade and financial integration, especially during the first decade of the century. Interdependence among these economies has also increased markedly. Today, nearly half of goods exports from EMDEs go to other EMDEs, compared to one-quarter in 2000. As cross-border linkages have strengthened, business cycles among EMDEs and between EMDEs and advanced economies have become more synchronized, and a distinct EMDE business cycle has emerged. Cross-border business cycle spillovers from the EM3 to other EMDEs are sizable, at about half of the magnitude of spillovers from the largest advanced economies (the United States, the euro area, and Japan).

Yet EMDEs confront a host of headwinds at the turn of the second quarter of the century. Progress implementing structural reforms in many of these economies has stalled. Globally, protectionist measures and geopolitical fragmentation have risen sharply. High debt burdens, demographic shifts, and the rising costs of climate change weigh on economic prospects. A successful policy approach to accelerate growth and development should focus on boosting investment and productivity, navigating a difficult external environment, and enhancing macroeconomic stability.

### **Falling Graduation Prospects: Low-Income Countries in the Twenty-First Century**

Rapid growth underpinned by domestic reforms and a benign global environment allowed many low-income countries (LICs) to attain middle-income status in the first decade of the twenty-first century. Since then, the rate at which LICs are graduating to middle-income status has slowed markedly. The prospects for today's LICs appear much more challenging. In recent years, per capita growth has been anemic amid heightened levels of conflict and fragility and adverse global developments. Across a wide array of development metrics, today's LICs are behind where LICs that since turned middle-income stood in 2000. They are also more susceptible to domestic shocks, including those related to climate change.

Many LICs that graduated in the past underwent growth accelerations—extended periods of robust economic expansion, during which output became far more trade- and investment-intensive. These accelerations were generally preceded by reforms that tended to increase market orientation and channeled resources into rapid investment growth. To kick-start stronger growth, today's LICs can harness large resource endowments to, among other things, supply the green transition, and find advantage in youthful and growing populations, untapped tourism potential, and regional trade integration. However, harnessing these factors and improving productivity hinges on engineering increased investment in human and physical capital, closing gender gaps, addressing fiscal risks, and improving governance. For LICs in fragile and conflict-affected situations, attaining greater peace and stability is paramount. LICs will also need international support to mobilize additional resources and foster institutions that can drive durable reforms. Throughout, policy makers should be guided by deep knowledge of country circumstances—there is no one-size-fits-all recipe for growth and graduation to middle-income status in LICs.



## INDIAN ECONOMY

### INTRODUCTION

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices for Q1 2024-25 is estimated at Rs. 77.31 lakh crores (US\$ 928.9 billion) with growth rate of 9.7%, compared to the growth of 8.5% for Q1 2023-24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-September 2025, India's exports stood at US\$ 211.46 billion, with Engineering Goods (26.57%), Petroleum Products (16.51%) and electronic goods (7.39%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

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

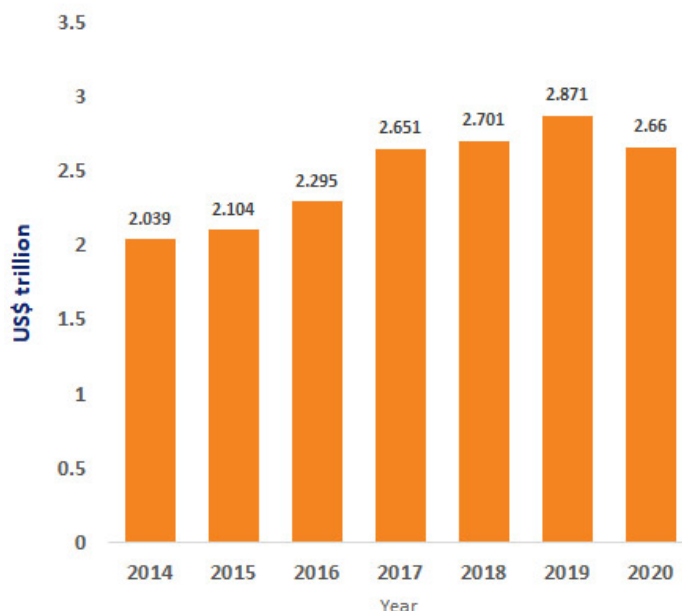
### MARKET SIZE

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world.

The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

India's Gross Domestic Production



Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

## RECENT DEVELOPMENTS

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

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of October 11, 2024, India's foreign exchange reserves stood at US\$ 690.43 billion.
- In 1H 2024, India saw a total of US\$ 31.5 billion in PE-VC investments.
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- In September 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.73 lakh crore (US\$ 20.83 billion).
- Between April 2000–June 2024, cumulative FDI equity inflows to India stood at US\$ 1,013.45 billion.
- In August 2024, the overall IIP (Index of Industrial Production) stood at 145.6. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 125.1, 147.1 and 219.3, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.49% (Provisional) for September 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January- (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

## GOVERNMENT INITIATIVES

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

- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry, and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.

- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of Aatmanirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).

- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.



- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

**ROAD AHEAD**

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

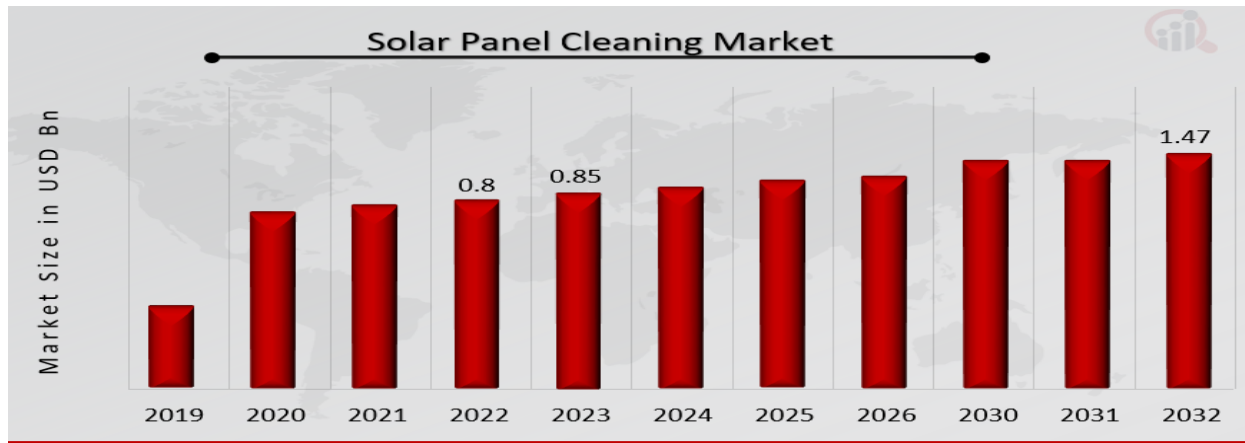
India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2024-25, capital expenditure took lead by steeply increasing the capital expenditure outlay by 17.1 % to Rs.11 lakh crore (US\$ 133.51 billion) over Rs. 9.48 lakh crore (US\$ 113.91 billion) in 2023-24. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

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



## SOLAR MODULE CLEANING INDUSTRY OUTLOOK

Solar Panel Cleaning Market Size was valued at USD 0.8 Billion in 2022. The Solar Panel Cleaning market industry is projected to grow from USD 0.85 Billion in 2023 to USD 1.47 Billion by 2032, exhibiting a compound annual growth rate (CAGR) of 7.00% during the forecast period (2024 - 2032). Growing demand for solar panels and cost-effective maintenance are the primary drivers propelling the market's expansion.



### Solar Panel Cleaning Market Segment Insights:

- #### Solar Panel Cleaning Technology Insights

Based on Technology, the Solar Panel Cleaning market segmentation includes wet cleaning and dry cleaning. In 2023, the wet cleaning segment dominated the market. Factors like lower prices, easier accessibility, and more efficiency primarily drive the expansion of this market. Furthermore, this industry's higher growth rate is ascribed to the high effectiveness of panel surface cleaning and its widespread applicability and viability in situations with severe soiling. A further factor contributing to the segment's growth will be the availability of organic compounds as an alternative to water-based cleaning solutions.

The dry cleaning category is anticipated to be the fastest growing. Dry cleaning technology greatly reduces or eliminates water use in the cleaning process. Dry cleaning techniques provide a greener option in areas where water conservation is important or where there is a water shortage.

- #### Solar Panel Cleaning Process Insights

Based on Process, the Solar Panel Cleaning market segmentation includes semi-automated, automated, water brushes, electrostatic, automated robotic, and others. In 2023, the semi-automated category generated the most income. The popularity of semi-automated cleaning systems is rising because of their affordability and ease of use in both residential and business environments. Robots are used for semi-automated cleaning tasks, or humans can clean the solar panels directly.

- #### Solar Panel Cleaning Application Insights

Based on Application, the Solar Panel Cleaning market segmentation includes residential, commercial and industrial and utility. The industrial and utility category leads the market as industries' energy needs increase. Businesses focus on solar power modules to reduce carbon impact, ensure consistent power generation, and increase cost savings. The need to transform solar energy into useful forms has increased the use of solar panel cleaning solutions in the utility and industrial sectors. Industrial activities may cause trash or flammable materials to accumulate around solar panels. Thus, in such areas, solar panel maintenance is necessary.

The solar panel cleaning market's residential segment is anticipated to grow fastest during the projection period. The need for cleaning and maintenance services is anticipated to increase as more homes install solar panels to produce electricity and lower their utility bills. Further driving this growth could be technology breakthroughs and declining costs associated with home solar installations.

- **Solar Panel Cleaning Mode of Operation Insights**

Based on the Mode of Operations, the Solar Panel Cleaning market segmentation includes manual and autonomous. The manual category leads the market due to the extensive and specific hand-cleaning methods used to increase the solar panels' effectiveness. This cleaning process also assists in detecting potential fire hazards and other damage or functional harm. Manual cleaning is the only method to eliminate dirt from the corners of solar panels and prevent further metal corrosion.

The autonomous segment of the solar panel cleaning market is predicted to develop quickly over the projected period. Sensors and imaging technologies may be included in autonomous cleaning systems to assess the cleanliness of solar panels and pinpoint problem areas. Using a data-driven strategy, cleaning efforts are directed where they are most required.

*Source: <https://www.marketresearchfuture.com/reports/solar-panel-cleaning-market-21588>*

## AGRICULTURE AND ALLIED INDUSTRY IN INDIA

### INTRODUCTION

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for ~55% of India's population. India has the world's largest cattle herd (buffaloes), the largest area planted for wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. The agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with a means of sustenance.

Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%. The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry.

The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

Foodgrain production in India touched 330.5 million metric tonnes (MT) in 2022-23 (3rd Advance Estimate). India is the world's 2nd largest producer of food grains, fruits and vegetables and the 2nd largest exporter of sugar. A total of 521.27 LMT rice has been anticipated for procurement for the upcoming KMS 2023-24, up from 496 LMT produced during the previous KMS 2022-23.

### MARKET SIZE

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales.

As per the First Advance Estimates for 2023-24 (Kharif only), total foodgrain production in the country is estimated at 148.5 million tonnes.

Rabi crop area has from 709.09 lakh hectares in 2022-23 to 709.29 lakh hectares in 2022-23.

In 2022-23 (as per the second advance estimate), India's horticulture output is expected to have hit a record 351.92 million tonnes (MT), an increase of about 4.74 million tonnes (1.37%) as compared to the year 2021-22.

The Agriculture and Allied industry sector witnessed some major developments, investments, and support from the Government in the recent past. Between April 2000-March 2024, FDI in agriculture services stood at US\$ 3.08 billion.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted a Foreign Direct Investment (FDI) equity inflow of about US\$ 12.58 billion between April 2000-March 2024. This accounts for 1.85% of total FDI inflows received across industries.

During 2024-25 (April-May), processed vegetables accounted for US\$ 122.91 million, miscellaneous processed items accounted for US\$ 302.07 million and processed fruits & juices accounted for US\$ 143.51 million.

Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including blockchain, Artificial Intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.

In terms of exports, the sector has seen good growth in the past year. India's agricultural and processed food products exports stood at US\$ 4.34 billion in 2024-25 (April-May).

The exports for principal commodities in 2024-25 (April-May) were the following:

- Marine Product: US\$ 1.07 billion
- Basmati and non-Basmati Rice: US\$ 1.96 billion
- Spices: US\$ 769.22 million
- Buffalo Meat: US\$ 551.78 million
- Sugar: US\$ 454.89 million
- Miscellaneous processed items: US\$ 302.07 million
- Oil Meal: US\$ 246.19 million

## INVESTMENT

Some major investments and developments in agriculture are as follows:

- In December 2023, NBCC signed an MoU with the National Cooperative Development Cooperation (NCDC) and NABARD for the construction of (1,469-grain storage units) the world's largest grain storage plan in the cooperative sector.
- India to host the 27th WAIPA World Investment Conference in New Delhi from December 11-14, 2023.
- In December 2023, Tata-owned Rallis India launched NAYAZINC fertilizer.
- In December 2023, NITI Aayog and IFPRI signed a Statement of Intent to strengthen policy frameworks for agricultural transformation and rural development.
- In November 2023, India signed deals to export 5,00,000 tons of new season basmati rice in Europe and the Middle East.
- In October 2023, the President of India launched the Fourth Krishi Road map of Bihar.
- In October 2023, Coal India, partnered to invest Rs. 3,095 crore (US\$ 371.69 million) in fertiliser JV to boost output.
- Government has set up a special fund called the Food Processing Fund (FPF) of approximately US\$ 265 million in the National Bank for Agriculture and Rural Development (NABARD) for extending affordable credit to designated food parks and food processing enterprises in the designated food parks.
- In June 2023, Mother Dairy invested Rs. 400 crore (US\$ 48.33 million) to set up a unit in Nagpur.
- In 2022, the Government of India is planning to launch Kisan Drones for crop assessment, digitization of land records, and spraying of insecticides and nutrients.
- In October 2022, Prime Minister Mr. Narendra Modi inaugurated PM Kisan Samman Sammelan 2022 and released PM-KISAN Funds worth Rs. 16,000 crore (US\$ 1.93 billion).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated 4 new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- Consumer spending in India will return to growth in 2022 post the pandemic-led contraction, expanding by as much as 7%.
- The organic food segment in India is expected to grow at a CAGR of 10% during 2015--25 and is estimated to reach Rs. 75,000 crore (US\$ 9.1 billion) by 2025 from Rs. 2,700 crore (US\$ 386.32 million) in 2015.

## GOVERNMENT INITIATIVES

Some of the recent major Government initiatives in the sector are as follows

- In the Union Budget 2024-25, a provision of Rs. 1.52 lakh crore (US\$ 18.26 billion) has been made for agriculture and allied sector.
- In January 2024, The Ministry of Food Processing Industries has approved the following under the corresponding component schemes of PMKSY: 41 Mega Food Parks, 399 Cold Chain projects, 76 Agro-processing Clusters, 588 Food Processing Units, 61 Creation of Backward & Forward Linkages Projects, and 52 Operation Green projects.
- In the Union Budget 2023-24:

- Rs. 1.24 lakh crore (US\$ 15.9 billion) has been allocated to the Department of Agriculture, Cooperation and Farmers' Welfare.
- Rs. 8,514 crore (US\$ 1.1 billion) has been allocated to the Department of Agricultural Research and Education.
- Through several Digital Initiatives, such as the National e-Governance Plan in Agriculture (NeGP-A), the construction of Digital Public Infrastructure (DPI), digital registries, etc., the government has taken a number of steps to ensure access to IT across the nation.
- The Soil Health Card site has been updated and connected with a Geographic Information System (GIS) system, allowing all test results to be captured and shown on a map. Samples are now being gathered using a mobile application as of April 2023 under the new system.
- The Agricultural Technology Management Agency (ATMA) Scheme has been implemented in 704 districts across 28 states and 5 UTs to educate farmers. Grants-in-aid are released to the State Government under the scheme with the goal of supporting State Governments' efforts to make available the latest agricultural technologies and good agricultural practices in various thematic areas of agriculture and allied sector.
- Since its inception, i.e. from 01.04.2001 to 31.12.2022, a total of 42,164 storage infrastructure projects (Godowns) with a capacity of 740.43 Lakh MT have been assisted in the country under the Agricultural Marketing Infrastructure (AMI) sub-scheme of the Integrated Scheme for Agricultural Marketing (ISAM).
- The Centre has granted permission to 5 private companies to conduct cluster farming of specified horticulture crops on approximately 50,000 hectares on a trial basis, with a total investment of Rs. 750 crore (US\$ 91.75 million). The 5 companies chosen through a bidding process for the pilot cluster farming program are Prasad Seeds, FIL Industries, Sahyadri Farms, Meghalaya Basin Management Agency.
- 27,003 Loans have been sanctioned in the country under credit linked subsidy component of the PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME).
- In July 2022, the PM Formalisation of Micro food processing Enterprises (PMFME) scheme was launched for providing financial, technical, and business support for setting up/ upgradation of micro food processing enterprises in the country with an outlay of Rs. 10,000 crore (US\$ 1.27 billion).
- The Indian government is planning to launch Kisan Drones for crop assessment, digitization of land records, and spraying of insecticides and nutrients.
- NABARD will assist in the creation of a blended capital fund with a focus on the agricultural start-up ecosystem which will be used to fund agriculture and rural enterprise startups that are related to the farm product value chain.
- A network of 729 Krishi Vigyan Kendras has been established at the district level across the country to ensure that newer technologies such as improved variety seeds of crops, new breeds/ strains of livestock and fish, and improved production and protection technologies reach farmers.
- In October 2021, the Union Minister of Home Affairs and Cooperation launched the 'Dairy Sahakar' scheme in Anand, Gujarat.
- Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021. The scheme proposes assistance and incentive for the movement of agri-produce by air transport. The Krishi UDAN 2.0 will be implemented at 53 airports across the country, largely focusing on Northeast and tribal regions, and is expected to benefit farmers, freight forwarders, and airlines.
- In October 2021, the Agricultural and Processed Food Products Export Development Authority (APEDA) signed a Memorandum of Understanding (MoU) with ICAR-Central Citrus Research Institute (ICAR-CCRI), Nagpur, for boosting exports of citrus and its value-added products.
- In October 2021, the Union Ministry of Agriculture and Farmers Welfare announced that 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing states under a special programme. This programme is likely to boost production and productivity by speeding up the seed replacement rate and subsequently, help in increasing farmers' income.
- In September 2021, Prime Minister Mr. Narendra Modi launched 35 crop varieties with special traits such as climate resilience and higher nutrient content.
- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred Rs. 2,021 crore (US\$ 284.48 million) to bank accounts of more than 10 million beneficiaries on February 24, 2019. As per the Union Budget 2021-22, Rs. 65,000 crore (US\$ 8.9 billion) was allocated to Pradhan Mantri Kisan Samman Nidhi (PM-Kisan).
- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as Artificial Intelligence, blockchain, remote sensing and GIS technology, drones, robots, and others.
- In September 2021, the Union Ministry of Agriculture and Farmers' Welfare signed 5 MoUs with CISCO, Ninjacart, Jio Platforms Limited, ITC Limited, and NCDEX e-Markets Limited. This MoU will have 5 pilot projects, which will help farmers make decisions on the kind of crops to grow, the variety of seeds to use, and best practices to adopt to maximise yield.

- With a budget of US\$ 1.46 billion, the 'Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI)' has been approved to develop global food manufacturing champions commensurate with India's natural resource endowment and to support Indian food brands in international markets.
- Under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME), an outlay of Rs. 10,000 crore (US\$ 1.27 billion) over a period of 5 years from FY21 to FY25 has been sanctioned.
- In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of Rs. 10,900 crore (US\$ 1.48 billion) over a period of 6 years starting from FY22.
- The Agriculture Export Policy, 2018 was approved by the Government of India in December 2018. The new policy aimed to increase India's agricultural export to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- The Government of India is going to provide Rs. 2,000 crore (US\$ 306.29 million) for the computerisation of the Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- The Government of India launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs. 50,000 crore (US\$ 7.7 billion) aimed at the development of irrigation sources for providing a permanent solution to drought.
- Government plans to triple the capacity of the food processing sector in India from the current 10% of agricultural produce and has also committed Rs. 6,000 crore (US\$ 729 million) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100% FDI in the marketing of food products and in food product E-commerce under the automatic route.
- To enhance the income of farmers, the government has taken initiatives across several focus areas. Income support is provided to farmers through PM KISAN Scheme, crop insurance is assured through the Pradhan Mantri Fasal Bima Yojana, and irrigation facilities are ensured under Pradhan Mantri Krishi Sinchai Yojana.
- Access to institutional credit is being provided through Kisan Credit Card and other channels.
- Under the e-NAM initiative, markets across the length and breadth of the nation are now open to farmers, to enable them to get more remunerative prices for their produce. Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.

## ROAD AHEAD

The agriculture sector in India is expected to generate better momentum in the next few years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing, and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to the concerted effort of scientists to get early maturing varieties of pulses and the increase in minimum support price.

In the next 5 years, the central government will aim US\$ 9 billion in investments in the fisheries sector under PM Matsya Sampada Yojana. The government is targeting to raise fish production to 220 lakh tonnes by 2024-25. Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP), and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.

Through the Ministry of Food Processing Industries (MoFPI), the Government of India is taking all necessary steps to boost investments in the food processing industry in India. Government of India has continued the umbrella PMKSY scheme with an allocation of Rs. 4,600 crore (US\$ 559.4 million) till March 2026.

**References:** *Agricultural and Processed Food Products Export Development Authority (APEDA), Department of Commerce and Industry, Union Budget 2021-22, 2022-23, Press Information Bureau, Ministry of Statistics and Programme Implementation, Press Releases, Media Reports, Ministry of Agriculture and Farmers Welfare, Crisil, Union Budget 2023-24, Economic Survey 2022-23*

**Note:** Conversion rate used in October 2024, Rs. 1 = US\$ 0.012

Source: <https://www.ibef.org/industry/agriculture-india>



## OUR BUSINESS

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page 23 of this Draft Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “Risk Factors” and the chapters titled “Restated Financial Statements” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 23, 180 and 226 respectively of this Draft Prospectus.*

*Unless the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to “we”, “us”, “our”, “our Company” and “Chiraharit” are to “Chiraharit Limited”. Unless stated otherwise, the financial data in this section is as per our Restated Financial Statements prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.*

### OVERVIEW

Our company was originally incorporated as a Private Limited Company under the name and style of “**Brahmani Ventures Private Limited**” in accordance with the Companies Act, 1956 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Andhra Pradesh on August 04, 2006 with the corporate identification number (CIN) being U45101AP2006PTC050818. Later, the name of the Company has been changed to “**Chiraharit Agro Farms Private Limited**” in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on September 18, 2015 with the corporate identification number (CIN) being U01403TG2006PTC050818. Further, the name of the Company was once again changed to “**Chiraharit Private Limited**” in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on May 30, 2016 with the corporate identification number (CIN) being U29100TG2006PTC050818. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to “**Chiraharit Limited**” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 02, 2024, bearing Corporate Identification Number U29100TG2006PLC050818, issued by Central Processing Centre.

The name **Chiraharit**, derived from the Sanskrit words “**Chira**” (Always) and “**Harit**” (Green), reflects our unwavering commitment to sustaining the world’s greenery through efficient water transportation and construction of green energy projects. With a focus on seamless water movement via pipeline systems, we ensure that wherever water flows, life and verdant growth follow. Guided by our vision of keeping the world “**Always Green**,” we are dedicated to efficient water transportation and application. By integrating cutting-edge technology and engineering excellence, we enable efficient water utilization, fostering sustainability and resilience in communities and industries. Through our efforts, we aim to ensure a greener, more sustainable future for generations to come.

Our Company specialize in turnkey EPC (Engineering, Procurement and Construction) projects focusing on two broad segment viz Water-based and Renewable Energy-based. With a commitment to excellence, we deliver innovative and comprehensive solutions tailored to meet the unique challenges of each project, ensuring optimal performance and sustainability.

In the Water-based segment, our focus is on the efficient and reliable movement of piped water in pressurized applications. Our expertise in water movement extends across diverse sub-sectors, including piped irrigation for agriculture, drinking water supply projects for Industrial and residential townships, large-scale pressurized irrigation networks, water based solar module cleaning systems and landscape irrigation.

Whether it’s a large solar power project, a small farmer, or a group housing project, our customers depend on us to deliver the water that touches every aspect of their lives. Farmers rely on us for efficient irrigation, solar project operators for cleaning solar modules, cement factories for dust suppression, and residential housing projects for a reliable water supply. Across diverse applications, one thing remains constant, i.e. the need for clean and safe water, delivered with precision and reliability and that is what we excel at providing.

Our Renewable Energy-based segment is focused on the construction of Compressed Bio-Gas (CBG) plants. In this domain, we provide turnkey execution of all civil, mechanical, and pumping systems, ensuring seamless project delivery. As a recent addition to our portfolio, this segment represents our commitment to sustainable energy solutions and technical excellence.

## ABOUT MALAXMI GROUP

Chiraharit is proud to be a part of the MALAXMI Group, a diversified conglomerate. The Group has established successful verticals in Water Management, Alternate Fuels, Property Development and Infrastructure. MALAXMI is an established brand, which is why we currently operate under its logo. However, we are in the process of building and establishing our independent identity under the CHIRAMAX brand, reflecting our unique vision and expertise.

## FINANCIAL HIGHLIGHTS

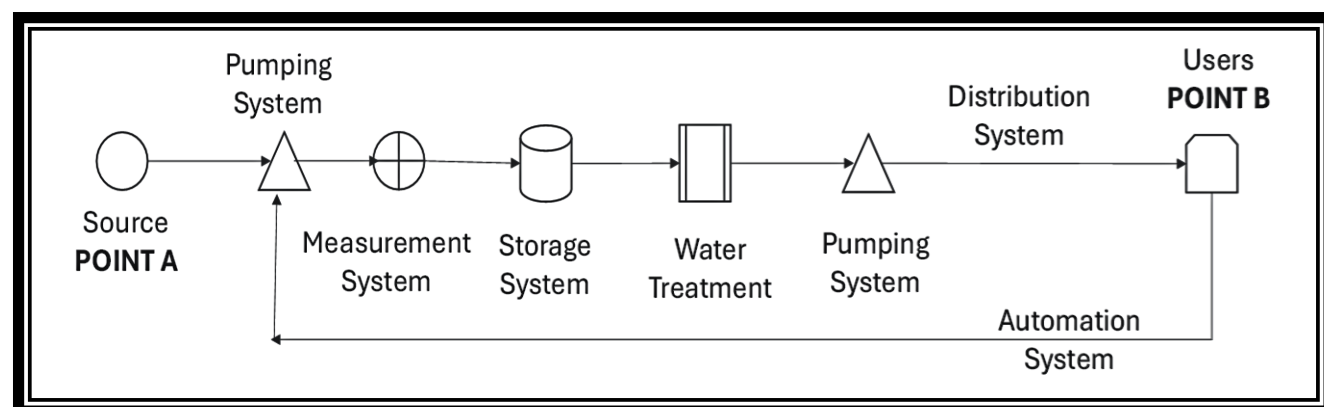
₹ in lakhs except percentage and ratios

Particulars	30-09-2024	31-03-2024	31-03-2023	31-03-2022
Total Income	3,267.83	3,057.42	3,303.16	2,448.04
Growth (%)	6.88%	-7.44%	34.93%	13.02%
Revenue from Operation	3,267.61	3,056.55	3,288.78	2,442.60
EBITDA (Operating Profit)	598.16	235.73	168.68	161.71
EBITDA Margin (%)	18.31%	7.71%	5.13%	6.62%
PAT	381.08	60.34	42.05	93.62
Growth (%)	531.58%	43.49%	-55.08%	93.66%
PAT Margin (%)	11.66%	1.97%	1.28%	3.83%
EPS (Basic & Diluted) - (As per end of Restated period)	15.24	2.41	1.68	3.74
EPS (Basic & Diluted) - (Post Bonus with retrospective effect)	0.95	0.15	0.11	0.23
Total Borrowings	1867.98	1630.03	1592.34	1270.90
Total Net Worth (TNW)	721.28	331.45	257.17	189.86
RONW (%)	52.83%	18.20%	16.35%	49.31%
ROCE%	22.49%	10.50%	8.58%	10.77%
Debt Equity Ratio (Total Borrowing/TNW)	2.59	4.92	6.19	6.69

\* Data as on 30/09/2024 are for six months only and not annualized, so it's not truly comparable.

## OUR BUSINESS MODEL FOR PUMPING & DISTRIBUTION OF WATER

We specialize in the efficient movement of water from Point A, the source, to Point B, the end user. Our expertise encompasses the design, supply, and installation of all intervening elements, including pumping systems, pipelines, measurement devices, storage, water treatment, and distribution networks. We are a system integrator whose main work is to combine multiple system and ensure seamless water transfer tailored to meet the needs of agriculture, drinking water supply, and industrial applications. Our business model can be summarised in the flow chart below:



**Note:** In the above image, all the devices and equipment such as storage tank, any type of water filtration system, water flow meter, HDPE Pipes etc. are being sourced from our empaneled vendors. We just perform the integration of all such devices and equipment.

### 1. Pumping Systems:

- 1.1. **Source Extraction:** We start by extracting water from various sources, including rivers, lakes, reservoirs, groundwater, or desalination plants. Our pumping systems we supply are engineered for maximum efficiency and durability, tailored to the specific needs of each project.
- 1.2. **Energy Efficiency:** Our pumps are selected and optimized for energy efficiency, reducing operational costs and environmental impact.

2. **Measurement System:**
  - 2.1. **Monitoring and Control:** We deploy advanced measurement devices, such as water meters, flow meters, pressure gauges, and sensors, to monitor water flow, pressure, and quality throughout the system.
  - 2.2. **Data Integration:** These devices are often integrated into digital monitoring systems, allowing for real-time data collection and remote management to ensure optimal system performance.
3. **Storage Systems:**
  - 3.1. **Design and Construction:** We design and construct storage solutions such as elevated tanks, ground reservoirs, and underground tanks. These systems are crucial for buffering demand, ensuring water availability during peak usage, and managing supply interruptions.
  - 3.2. **Material Selection:** Our storage systems are constructed from materials that ensure durability, hygiene, and compliance with regulatory standards.
4. **Water Treatment:**
  - 4.1. **Customized Solutions:** Depending on the quality of the source water and the intended use, we provide customized treatment solutions. This includes Reverse Osmosis (RO), softening, filtration, disinfection (chlorination, UV treatment), and other processes to ensure water meets the required standards.
  - 4.2. **Regulatory Compliance:** All treatment processes are designed to comply with local and international water quality standards, ensuring safety and suitability for consumption or industrial use.
5. **Secondary Pumping Systems:**
  - 5.1. **Pressure Management:** To maintain consistent pressure throughout the distribution network, secondary pumping stations are strategically placed. These systems ensure that water is delivered efficiently to areas with varying elevations or long distances from the main source.
  - 5.2. **Redundancy and Reliability:** Our secondary systems are designed with redundancy and backup power to ensure uninterrupted service.
6. **Water Distribution Systems:**
  - 6.1. **Pipeline Design and Installation:** We engineer and install extensive pipeline networks that include main distribution lines, branch lines, and service lines. These systems are designed to minimize losses, resist corrosion, and withstand environmental stresses.
  - 6.2. **Control Systems:** Our distribution networks are equipped with control valves, pressure regulators, and automated systems to manage flow, prevent leaks, and ensure even distribution.
  - 6.3. **Fittings and Accessories:** We provide a full range of fittings, joints, and accessories, ensuring a seamless and secure connection throughout the network.
7. **End-User Delivery:**
  - 7.1. **Urban and Rural Supply:** Our systems are designed to serve urban, rural and industrial users and communities, ensuring that water reaches homes, businesses, agricultural fields, and industrial plants.
  - 7.2. **Customized Solutions:** For specific applications, such as irrigation, industrial processes, or potable water supply, we tailor our solutions to meet the unique needs of the end user.

## OUR BROAD SERVICE SEGMENTS

Water	Renewable Energy	Construction
<b>Works in Water Applications</b> <ul style="list-style-type: none"> <li>Solar Module Cleaning Systems</li> <li>Irrigation Solutions for Agriculture and Landscape</li> <li>Water Pipeline Solutions for Industrial and Residential Projects</li> <li>HDPE, UPVC, CPVC, PVC, Sprinkler Pipes and Fittings</li> </ul>	<b>Construction of Renewable Energy Project</b> <ul style="list-style-type: none"> <li>Construction of Compressed Bio Gas Plants</li> </ul>	<b>Construction of Civil Projects</b> <ul style="list-style-type: none"> <li>Construction of Industrial and Residential Projects</li> </ul>



## 1. SOLAR MODULE CLEANING SYSTEM

Maximizing return on investment (ROI), ensuring optimal system production, and achieving zero system downtime are critical objectives in the operations and maintenance (O&M) of solar power projects. Among the challenges, soiling has emerged as a significant factor impacting solar panel performance, potentially reducing energy production substantially. Effective and regular module cleaning has thus become indispensable for safeguarding plant productivity and ensuring peak panel performance. Solar Module Cleaning Systems (MCS) play a pivotal role in maintaining system efficiency by mitigating losses caused by dust, dirt, and environmental factors that accumulate on the panels.

At Chiraharit, we specialize in the engineering, design, supply, installation, and commissioning of advanced water-based solar module cleaning systems tailored to the unique needs of Indian solar power plants. Our deep understanding of how soiling impacts not just individual modules but the productivity of interconnected strings up to the inverter level drives our innovative approach to system design. We prioritize synchronized cleaning schedules that ensure all modules connected to a single inverter are cleaned on the same day, maximizing energy yield and resource efficiency. Our solutions not only optimize energy generation but also extend the lifespan of solar panels, reducing long-term operational costs and enhancing the overall sustainability of solar power projects. By delivering efficient and reliable cleaning systems, we empower solar operators to achieve their performance goals and contribute to a greener future.

This segment represents the largest portion of our overall revenue, and we have achieved numerous milestones, showcasing our expertise and commitment to excellence in this domain.

### SOLAR MODULE CLEANING SYSTEM PROJECTS STEP-WISE EXECUTION IN PHOTOS



Supply of HDPE Pipe and Inspection at Site



Excavation of Trench



Laying of Pipe



Electrofusion Jointing



Installation of Fittings



Testing of Pipeline with water



Commissioning and Testing Stage



Solar Module Cleaning

## 2. IRRIGATION SOLUTIONS FOR AGRICULTURE AND LANDSCAPE

We specialize in delivering advanced pressurized irrigation systems, including drip irrigation, rain gun irrigation, Center Pivot irrigation system and sprinkler irrigation systems, designed to revolutionize agricultural water management. These state-of-the-art technologies ensure water is delivered directly to the root zones of crops, optimizing water use while minimizing waste and evaporation losses. By providing precise control over irrigation, these systems enhance crop yields, improve resource efficiency, and support sustainable farming practices. Our expertise extends to designing and implementing irrigation solutions for large and diverse agricultural landscapes, ensuring that each system is tailored to meet the unique requirements of the crops, soil types, and terrain.

Our solutions are ideal for farmers seeking long-term, efficient water management strategies. These projects are typically one-time implementations that deliver lasting value by reducing operational costs, conserving water resources, and maximizing productivity. We also integrate modern water management technologies to optimize irrigation schedules and flow rates, ensuring that every drop of water is utilized effectively. By empowering farmers with innovative irrigation solutions, we contribute to increased agricultural output and long-term sustainability, helping them overcome water challenges and secure better returns on their investments.

We are an Authorised Distributor for Center Pivot Irrigation Systems.

The pictures depicting various forms of irrigation system are as follows:



Drip Irrigation Systems



Rain Gun Irrigation Systems



Centre Pivot Irrigation Systems

Landscape irrigation is one of the most efficient and aesthetically beneficial water application systems, designed to maintain lush, green environments in a sustainable manner. While often perceived as expensive, it is, in fact, a highly economical solution that ensures long-term water conservation and optimal plant health. The system is engineered to maximize water efficiency, promoting even distribution and preventing both overwatering and wastage. Modern landscape irrigation solutions incorporate advanced automation technologies, allowing for precise control, scheduling, and monitoring, thereby enhancing overall performance and ease of operation. These smart systems contribute significantly to environmental sustainability by optimizing water usage and reducing manual intervention.



Our expertise encompasses the installation of essential components, including drip lines, sprinklers, pipes, pumps, and state-of-the-art automation equipment. From initial planning and system design to installation and commissioning, we ensure seamless integration of irrigation solutions that align with the specific requirements of each project. By leveraging advanced technology and best practices, we create irrigation systems that not only enhance the visual appeal of landscapes but also contribute to long-term environmental sustainability and resource conservation.



**Landscape Irrigation System**



**Sprinklers in Operation**

We are also specialized in building water retaining structures used for various agricultural purposes.



**Water Harvesting and Storage Structures for Agriculture**



**Pumping System with Water Storage**

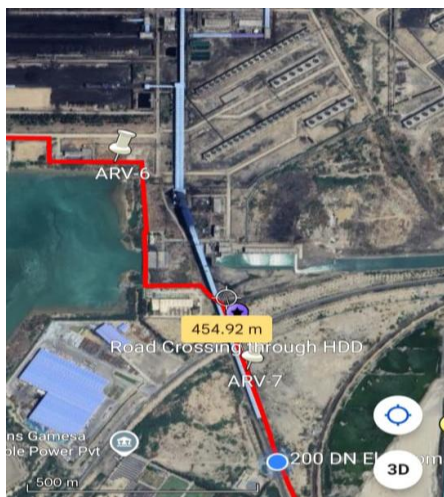


### 3. WATER PIPELINE SOLUTIONS FOR INDUSTRIAL AND RESIDENTIAL PROJECTS

Under this segment, we specialize in designing and developing comprehensive water supply solutions for both industrial and residential projects, with a focus on the development of complete infrastructure required for water storage and distribution. Generally, scope of work includes supply, excavation, laying and joining of pipes, installation of pumps, Water storage structures, measurement devices and automation.

A well-planned and constructed piped distribution network is critical for ensuring that water is delivered in the right quantities, at the desired flow rate, with consistent pressure, and precisely when needed. Such a system guarantees efficient water delivery throughout the network, minimizing operational disruptions for both water authorities and end consumers. Our expertise lies in creating robust systems that integrate all necessary structural and operational components, while addressing constraints posed by the water source or other system elements. We ensure that every aspect of the water distribution network is optimized for performance, reliability, and sustainability. This approach supports efficient water management. By focusing on precision and scalability, we deliver tailored solutions that meet the specific needs of each project, promoting effective water use, reducing wastage, and ensuring long-term sustainability for an important natural resource.

#### INDUSTRIAL WATER SUPPLY PROJECTS



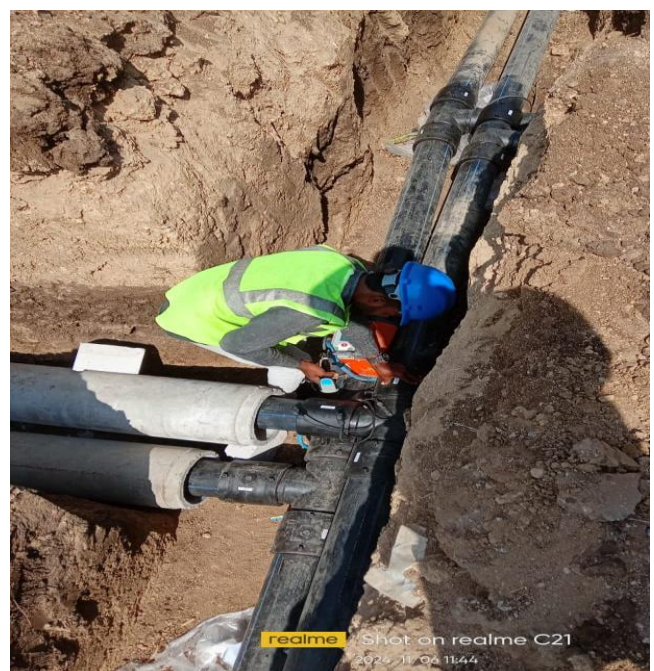
Road Survey



Trench Marking



Pipe Laying







Joining Pipes and Other Related Fittings

## RESIDENTIAL WATER SUPPLY PROJECT



Route Survey



Pipe Laying



Pipe Laying

Pumping System  
Installation

## 4. CONSTRUCTION OF COMPRESSED BIO-GAS PLANTS

This is a relatively new and exciting addition to our service portfolio, marking our foray into the niche and rapidly growing field of bio-gas plant construction and solutions. Bio-gas plants offer an innovative way to transform organic waste into renewable energy, aligning perfectly with the global shift towards sustainability and the circular economy. With the Government of India placing significant emphasis on developing compressed bio-gas infrastructure, this segment presents immense potential for growth and impact. These plants not only help in managing organic waste effectively but also produce clean energy, contributing to a reduction in greenhouse gas emissions and dependency on conventional fossil fuels.

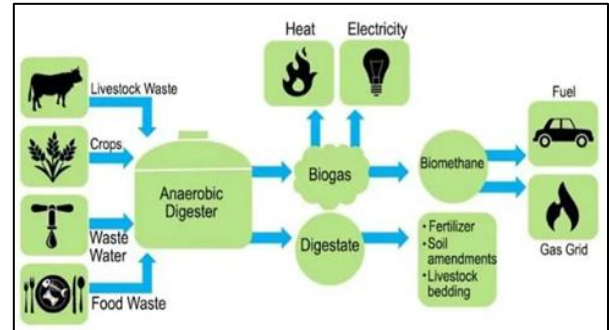
Bio-gas plants operate by processing organic materials such as agricultural waste, animal manure, food waste, and industrial organic residues through anaerobic digestion. This process breaks down the organic matter in the absence of oxygen, producing bio-gas—a mixture primarily consisting of methane and carbon dioxide—which can be used as fuel for electricity generation, heating, or as a substitute for natural gas in vehicles. The byproduct, known as digestate, serves as a nutrient-rich organic fertilizer, further promoting agricultural productivity. By integrating bio-gas solutions into our service offerings, we empower clients to harness the potential of waste-to-energy technology, contributing to their sustainability goals while driving economic benefits through energy cost savings and waste management efficiency.

Our Company does not engage in the production of green energy from biogas plants. Instead, we only focus on the installation and setup of biogas plants, ensuring that each project aligns with the design specifications and requirements set by the client. By providing this specialized service, we support clients in harnessing the potential of organic waste for renewable energy production while ensuring the longevity and efficiency of the biogas plants.

The pictures depicting Compressed Bio-Gas plant are as follows:

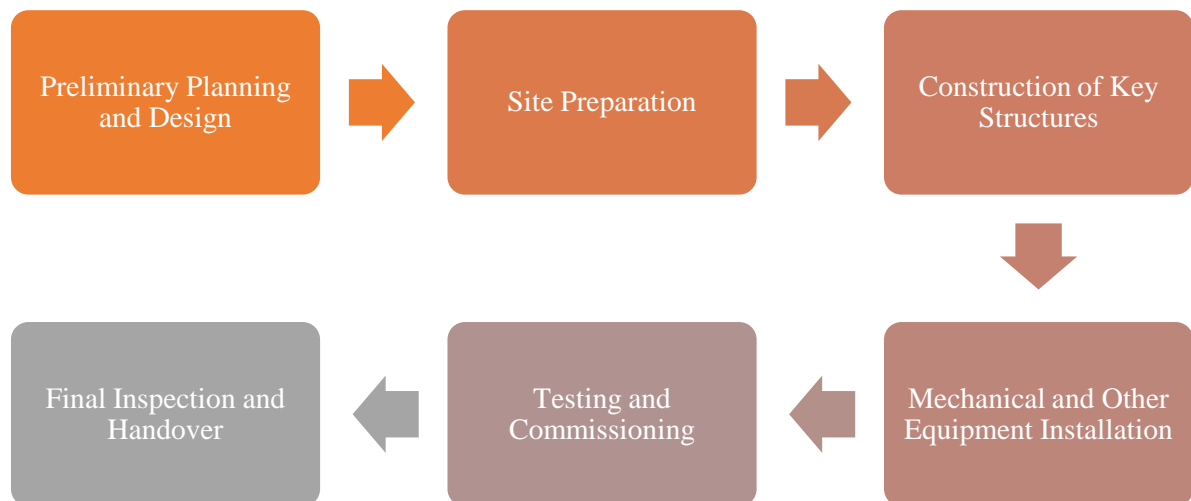


Compressed Bio Gas Plants



Compressed Bio Gas Plants Schematic

#### BIO-GAS PLANT SET UP FLOWCHART



1. **Preliminary Planning and Design**
  - Collecting Drawings and Specifications
  - Finalizing Project Design
2. **Site Preparation**
  - Site Clearing and Grading
  - Excavation and Foundation Work
  - Installation of Underground Utilities (Drainage, Piping)
3. **Construction of Key Structures**
  - **Digester Tank:** Based on design on the Tank diameter, including foundation and RCC wall construction.
  - **Buffer Tanks:** Construction of two buffer tanks with foundation, walls, and slabs.
  - **Mixing Tank:** Foundation and wall construction for the mixing tank.
4. **Mechanical & Equipment Installation**
  - Installation of Piping Network (Connecting Tanks, Mixing Tank, Digester)
  - Setting up Biogas Collection, Transfer, and Storage Systems
  - Installation of Mechanical Agitators, Pumps, and Feed Mixers
  - Erecting Control Panels in Control Room
  - Installing Gas Purification and Scrubbing Units



### 5. Testing and Commissioning

- Leak and Pressure Testing for Tanks and Pipelines
- Trial Runs of Mechanical Equipment (Agitators, Pumps)
- Calibration of Sensors and Control Panels
- Initial Feed Loading and Gas Production Testing
- Verification of Gas Purification Output

### 6. Final Inspection and Handover

- Final Quality Inspection and Compliance Check
- Documentation and Handover of Operation Manuals
- Staff Training on Operation and Maintenance
- Issuing Handover Certificate and Project Closure



**Compressed Bio Gas (CBG) Digester Raft**



**Outer View of CBG Plant**



**Buffer Tank (Ariel View)**



**Mechanical Work at CBG Plant**



**GFS Digester Tank (Completed)**

## 5. MISCELLANEOUS CIVIL PROJECTS

Our company undertakes a diverse array of civil engineering projects, ranging from the construction of industrial and commercial buildings to the development of critical infrastructure. While this segment constitutes smallest portion of our overall revenue w.r.t. FY 2023-24, we prioritize maintaining the highest standards of quality, safety, and sustainability in every project we execute. Our approach ensures that all structures are not only built to last but also designed with long-term environmental and operational efficiency in mind. By integrating advanced construction techniques and sustainable practices, we are able to deliver projects that meet the evolving needs of industries, communities, and urban landscapes, while also adhering to stringent regulatory and safety requirements.

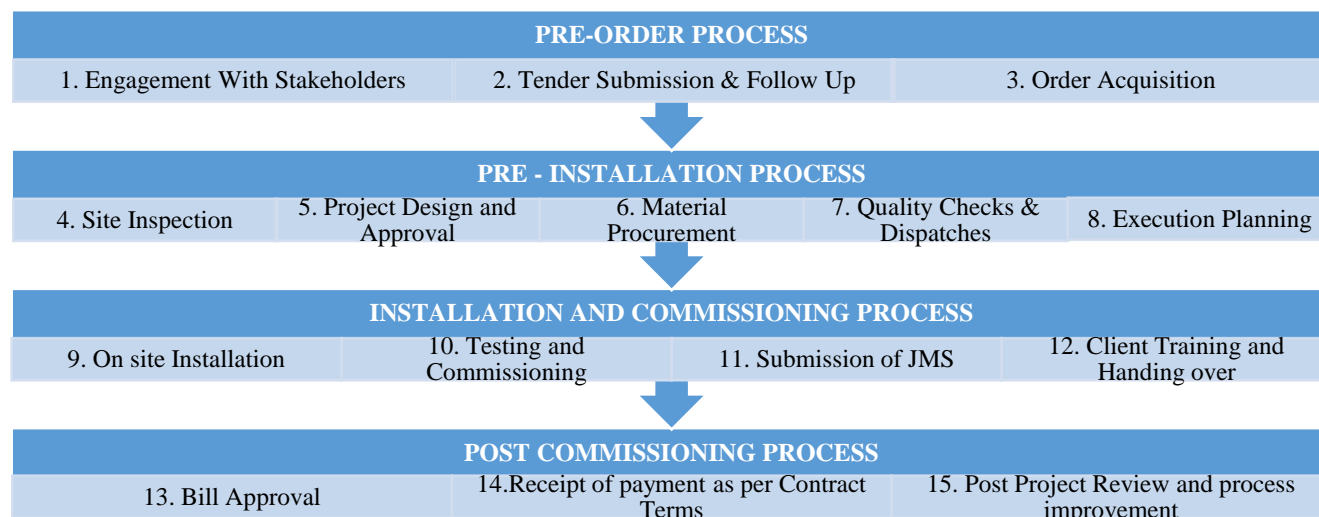
### OUR SERVICE SEGMENT WISE TURNOVER (ON CONSOLIDATED BASIS)

(Amount ₹ in Lakhs)

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount of Turnover	% of Total	Amount of Turnover	% of Total	Amount of Turnover	% of Total	Amount of Turnover	% of Total
<b>Water</b>								
Solar Module Cleaning System	1,556.79	47.64%	1,604.38	52.49%	1,265.47	38.48%	1,222.39	50.04%
Water Pipeline Solutions for Industrial and Residential Projects	634.76	19.43%	206.91	6.77%	503.26	15.30%	174.91	7.16%
Irrigation Solutions for Agriculture and Landscape Irrigation	112.53	3.44%	129.98	4.25%	37.93	1.15%	5.83	0.24%
HDPE, UPVC, CPVC, PVC, Sprinkler Pipes and Fittings	431.48	13.20%	716.43	23.44%	675.86	20.55%	441.16	18.06%
<b>Renewable Energy</b>								
Compressed Bio Gas Plant	377.90	11.57%	-	0.00%	23.49	0.71%	197.69	8.09%
<b>Construction</b>								
Civil Projects	154.15	4.72%	398.85	13.05%	782.77	23.80%	400.62	16.40%
<b>Total</b>	<b>3,267.61</b>	<b>100.00%</b>	<b>3,056.55</b>	<b>100.00%</b>	<b>3,288.78</b>	<b>100.00%</b>	<b>2,442.60</b>	<b>100.00%</b>

### PROCUREMENT & EXECUTION PROCESS FLOWCHART

Executing an EPC water pipeline project involves a systematic approach to ensure efficiency and quality. It begins with understanding client requirements, conducting site surveys, and designing a tailored solution, including cost estimation and detailed planning. Once the project is awarded, all materials and equipment are procured and prepared, with site readiness ensured through thorough inspections and coordination. The installation phase involves laying pipelines, setting up pumping systems, and integrating other components, adhering to strict timelines and quality standards. Finally, the project is completed with rigorous testing, commissioning, and client handover, supported by training, documentation, and ongoing maintenance services to ensure optimal performance.





## 1. Engagement with Stakeholders

This is the initial phase where Chiraharit Limited engages with potential Clients and other relevant stakeholders to gather the necessary project requirements. This step is crucial for understanding client expectations, project scope, and any specific challenges that may arise. The outcome is a clear set of objectives aligned with stakeholder expectations.

- a. **Client Requirement Gathering:** Engage with Clients to understand their specific irrigation needs, project objectives, soil conditions, water sources, and budget constraints.
- b. **Feasibility Study:** Conduct technical assessments of the site, including water availability, topography, and soil type, to evaluate the project's viability. Financial feasibility is also assessed to ensure the project aligns with the client's budget.
- c. **Conceptual Design:** Develop initial designs that outline the micro irrigation system layout, including pipe networks, sprinkler or drip systems, and control mechanisms. Project timelines are also established.

## 2. Tender Submission and Follow-up

Upon collecting the necessary details, the tender submission phase begins. In this step Chiraharit prepares a detailed and competitive tender that includes cost estimates, technical solutions, and timelines. This submission is followed by a period of active communication and follow-up to address any queries and to ensure the tender stands out among competitors.

## 3. Order Acquisition

Once the tender is accepted, the company proceeds with contract negotiations to finalize the order. The various tools used by Clients for price discovery include one to one negotiations, reverse auction and Dutch auction. After the discovery of price, tender is accepted and Purchase or Work Orders are issued by Clients. If applicable, an advance payment is secured, which is crucial for initial project mobilization. This phase ensures the company has the necessary financial commitment from the client to proceed.

## 4. Site Inspection

Before commencing any design work, a thorough site inspection is conducted. This inspection allows for an accurate assessment of the project environment, helping to tailor the design to site-specific conditions. This step ensures that the final installation will be both feasible and efficient.

## 5. Project Design and Approval

With site data in hand, Chiraharit develops a detailed project design that meets all the technical and regulatory requirements. The design is presented to the client for approval, ensuring that all aspects of the project align with their expectations and that any necessary adjustments are made.

- a. **Detailed Design:** Create comprehensive engineering designs, including hydraulic calculations, pipe network layouts, and system integration plans. These designs are tailored to the specific crop and climatic conditions of the project site.
- b. **Compliance and Standards:** Ensure that all designs comply with local regulations, industry standards, and client specifications, particularly concerning water conservation and efficient irrigation practices.
- c. **Design Review and Approval:** Submit the detailed designs to the client for review and approval. Adjustments are made based on client feedback to ensure the design meets all project requirements.

## 6. Material Procurement

The next phase involves sourcing the required materials. Our Company places a strong emphasis on procuring high-quality materials to ensure the durability and optimal performance of the installation. This step includes vetting suppliers, placing orders, and ensuring timely delivery to the site.

- a. **Vendor Selection:** Select suppliers for irrigation equipment, including pipes, valves, pumps, and controllers, based on quality, reliability, and cost-effectiveness.
- b. **Material and Equipment Procurement:** Procure all necessary materials and equipment, ensuring they meet the project's specifications and are delivered on time.
- c. **Logistics Management:** Manage the transportation and storage of materials and equipment to the Central Godown or project site.

## 7. Quality Inspection and Despatches

Several Clients undertake Third Party Inspection (TPI) of the material before despatch. Chiraharit offers the material for Inspection supported by suitable document for approval of Client to provide Material Despatch Clearance Certificate (MDCC). Once the MDCC is secured, material is despatched using Third Party Logistics (TPL).

## 8. Planning and Monitoring

A detailed project plan is developed, outlining each step from procurement to installation. Continuous monitoring against this plan ensures that the project stays on track. This proactive approach helps in identifying potential issues early and allows for corrective action to be taken promptly.

## 9. On-site Installation

The actual installation is carried out with a focus on quality and adherence to industry standards. Our experienced Engineers and technicians ensure that each component is installed correctly, paying close attention to detail to ensure the long-term reliability of the system. This phase covers the deployment of all system components at the project site. The on-site team manages the installation process, ensuring that each part is installed according to the design specifications and that all safety protocols are followed.

- a. **Site Preparation:** Prepare the project site, including surveying, levelling and trenching for pipe installation.
- b. **Civil Construction:** Install the main and lateral pipelines, along with the required infrastructure for water distribution and control.
- c. **Mechanical and Electrical Installation:** Install pumps, controllers, and other mechanical and electrical components essential for the micro irrigation system's operation.
- d. **Quality Control:** Implement stringent quality checks during installation to ensure the system meets design specifications and operates efficiently.
- e. **Health, Safety, and Environment (HSE):** Adhere to HSE protocols to maintain a safe working environment, minimize environmental impact, and ensure sustainable water usage.

## 10. Testing and Commissioning

The final phase involves thorough testing of the installed system to confirm it operates as intended. Any issues identified are addressed, and the system is fine-tuned for optimal performance. Once the client is satisfied, Chiraharit formally hands over the project, providing all necessary documentation, including test results and warranty certificates.

- a. **System Testing and Commissioning:** Conduct tests to verify the performance of the irrigation system, including water flow rates, pressure levels, and coverage uniformity.
- b. **Performance Validation:** Ensure that the system meets the performance criteria outlined in the contract, delivering optimal water distribution for the client's crops.

## 11. Submission of Bill with JMS (Joint Measurement Sheet)

Once a specific phase of the project is completed, the billing team prepares the invoice based on the agreed terms of the contract. This invoice is accompanied by a Joint Measurement Sheet (JMS), a critical document jointly prepared by both the client's and Chiraharit's engineers. The JMS records precise measurements and milestone achievements, ensuring both parties agree on the completed work. This joint verification establishes a solid basis for the billing process, promoting transparency and accuracy.

## 12. Client Training and Handing Over

Following submission, the client's technical inspection team reviews the works and associated documentation, including the JMS. This inspection process verifies that the completed work aligns with the contract specifications and quality standards. Should any discrepancies or clarifications arise, the client's team coordinates with Chiraharit's team to resolve them promptly, ensuring all deliverables meet the specified requirements.

**Client Training:** Further, to handing over, we provide training to the client's personnel on the operation and maintenance of the water pipe line system, ensuring long-term efficiency and effectiveness.

### 13. Bill Approval

Once the technical inspection is satisfactorily completed and any required clarifications are addressed, the client proceeds to approve the bill. This stage represents formal acceptance of the quality and completeness of the work. With approval, the bill is processed for payment according to the agreed contract terms.

### 14. Receipt of Payment as per Contract Terms

After approval, the client initiates payment based on the contractual payment terms, which may be milestone-based, due-date oriented, or tied to percentage completions. Payments are received as per the agreed timeline, supporting Chiraharit's cash flow management and enabling continued progress on the project.

### 15. Post-Project Review:

- a. **Project Evaluation:** Review the project's overall performance, including cost efficiency, schedule adherence, and system effectiveness.
- b. **Client Feedback:** Gather feedback from the client to assess their satisfaction and identify any areas for improvement.
- c. **Continuous Improvement:** Incorporate lessons learned into future projects, refining processes to enhance efficiency and client satisfaction.

This structured approach ensures that every project undertaken by our Company is executed with precision, delivering high-quality results that meet client expectations and industry standards.

## ABOUT OUR SUBSIDIARIES

### *MALAXMI POLYMERS PRIVATE LIMITED*

Established in the year 2020, Malaxmi Polymers Private Limited, a subsidiary of Chiraharit Private Limited, is a dynamic and customer-focused company specializing in polymer-based products, with a particular emphasis on water management solutions. At Malaxmi Polymers, we are committed to producing HDPE (High-Density Polyethylene) pipes that meet the stringent criteria outlined in IS 4984:2016. This Indian Standard ensures that our pipes are designed for water supply applications with the highest levels of quality, durability, and performance across a variety of uses.

Our factory is situated at Plot No. 42, Plastic Park, Mankhal, Thummaloor, Maheswaram, Rangareddy, Telangana – 501359.

### *Products offered by Malaxmi Polymers Private Limited*

- **HDPE Pipes:** High Density Polyethylene Pipe (HDPE) is a thermoplastic pipe made from a material that can be melted and reformed. It is rugged, flexible, and durable. It has outstanding chemical and environmental stress crack resistance. This is our main and primary product.

#### **HDPE Pipe Manufacturing Process**

HDPE pipes are being manufactured through Extrusion process where the raw material is fed into the extruder via a hopper and a gravimetric or volumetric control system. Inside the extruder barrel, the material is heated up to the melting point around 200°C by electricity and the friction in the screw system. The melted material is pushed through a cavity, called a die-head and thereby formed into a pipe. The pipe is then calibrated to correct size in a vacuum box and thereafter cooled by water in spray boxes. Extrusion is a continuous process and pipes can in principle be produced in infinity lengths. At the end of the production, line pipes are cut into lengths and socketed or coiled according to the intended use.

The process described above is the for producing the so-called solid wall pipes consisting of one layer of a homogeneous material.

Next to the process for solid wall pipes other variants of production processes are used, e.g. for structured wall pipe. Structured wall pipes have an optimized design to achieve the physical, mechanical and performance requirements, using fewer materials at the same. Twin wall is a typical structure for pipe wall construction. Another variant is the so-called co-extruded pipes where the layers can be made of different materials. A typically a 3-layer coextruded sewer pipe consists of an outer skin and an inner skin of new (virgin) material where the middle layer is post-consumer recycled material. In this way, the discolouration of the recycled material in the middle layer can be hidden inside the pipe.

Multilayer pipes for plumbing are construction of PE or PEX with an aluminium layer inside the pipe wall. The aluminium has two purposes: To improve the longitudinal stiffness and to act as an oxygen barrier. The barrier is important in cases where the pipes are used for heating applications. The barrier can also be made with a polymer called EVOH. Pipes can be connected in a variety of ways to form reliable and leak-free pipe systems. They can be connected by either welding, a push-fit joint with rubber seal or by a solvent cement system.

There are five important process parameters to be considered before the extrusion process:

- Melting temperature of the plastic
- Speed of the screw
- Extrusion pressure required
- Types of die used
- Cooling medium

HDPE granules are fed into the hopper of the extruder which goes into the heated cylinder of the extruder, where the granules melt and are conveyed (pumped) to the die exit. Now the melt passes through the die and takes the shape of the die i.e. circular shape and emerges from the exit of the die. It then passes through the calibrator and is forced to take the shape of the inside of the calibrator which is round in diameter by the inside air pressure. This melt solidifies and taken round shape in the calibrator, which is cooled by passing chilled water through it continuously.

Now the solid pipe is taken out from the water and is drawn continuously from the die. The speed is adjusted according to the thickness of the pipe required and extruder output. The pipes are either cut into 6 meters length or wound on the winder unit. Generally, pipes up to 110mm diameter can be coiled.

- **Other Type of Pipes:** There are many other polymer products that we manufacture other than the HDPE pipes. These are as follows:



PVC Braided Hose



PVC Braided Hose



PDB Duct Pipes



MDPE Pipes



Sprinkler Irrigation Pipes



Drip Irrigation Lateral Brown



## Factory Photos



## VASAVI BUILDING MATERIALS PRIVATE LIMITED

Established in 1995, Vasavi Building Materials Private Limited is a player in the construction materials industry, specializing in the supply of premium-quality building materials across a diverse range of applications. With over three decades of market presence, the company has earned a reputation for reliability, innovation, and customer-centric service.

A wholly owned subsidiary of Chiraharit Private Limited, Vasavi Building Materials brings the same values of sustainability, quality, and customer commitment that define its parent company. Our extensive product range includes CPVC, PVC, and UPVC pipes and fittings, ensuring that we cater to a broad spectrum of industries and infrastructure projects. We are an absolute trading concern.

### *Products offered by Vasavi Building Materials Private Limited*

The product portfolio caters to various sectors, including:

- **CPVC Pipes & Fittings** – Ideal for both hot and cold-water applications in residential and commercial buildings.
- **PVC Pipes & Fittings** – Used widely in agriculture, ducting, and borewell applications.
- **SWR PVC Pipes & Fittings** – Designed specifically for sewage and waste drainage systems.
- **ASTM PVC Pipes & Fittings** – Primarily for cold water distribution systems.

Vasavi is an authorized dealer for two of the most trusted brands in the piping industry. Our direct purchase agreements with these brands allow us to offer competitive pricing while ensuring consistent product quality.



## OUR COMPETITIVE STRENGTH

### 1. *Diversified Service Portfolio*

Our strength lies in our diversified portfolio, which encompasses a wide range of services designed to address critical needs in water management and renewable energy. Our offerings include advanced solar module cleaning systems, EPC (Engineering, Procurement, and Construction) solutions for piped water projects, various irrigation systems tailored for agricultural efficiency, the installation and setup of bio-gas plants, and civil construction projects focused on piped water infrastructure for housing townships, residential layouts, and commercial developments. This broad expertise enables us to deliver comprehensive and sustainable solutions that cater to diverse sectors, ensuring optimal utilization of resources and contributing to long-term growth.

With our operations deeply rooted in both water management and renewable energy, we address two essential pillars of sustainable development. These sectors are crucial for meeting the growing demands of a rapidly evolving world while ensuring environmental preservation. The nature of our work positions us as key enablers of sustainability, and the increasing demand for innovative solutions in these areas ensures a continuous pipeline of projects. Our commitment to excellence, combined with the relevance of our services, guarantees our ability to contribute meaningfully to a greener, more sustainable future, while also strengthening our position as a reliable and forward-thinking partner in the industry.

### 2. *Experienced Promoters and Directors with extensive domain knowledge*

Our leadership team is the driving force behind our success, bringing a wealth of expertise and visionary guidance to every project. At the helm is our Managing Director, Mr. Pavan Kumar Bang, a distinguished professional with extensive experience in marketing of agri-inputs, large scale commercial farming in India and Africa, development of agricultural infrastructure and common infrastructure project, and policy advisory. A graduate in B.Sc. Agriculture, and post graduate in Agri Business management, he possesses deep knowledge business development project management, Supply chain management, organisation development which enables him to build the company to meet the challenging project delivery requirements of market for both current and future needs. Under his leadership, the company has consistently delivered impactful projects, driving growth and sustainability in the sectors we serve.

Complementing their leadership is our Executive Director, Mr. G. Venkata Ramana Reddy, a seasoned agricultural engineer with an M. Tech in Agricultural Engineering and over three decades of experience in micro-irrigation systems and water management. His extensive expertise and practical insights into water resource optimization have been instrumental in shaping our advanced irrigation solutions, water supply projects. He is passionate about on ground installation and capacity building of clients and inhouse team.

Our Promoter and Director, Dr. Tejaswini Yarlagadda, brings a unique blend of academic excellence and strategic acumen. A Ph.D. holder, she plays a pivotal role advising the executive team on building the company to be future ready. She supports the company on critical aspects of human resources development, general administration and provides strategic direction.

Together, this dynamic leadership team propels us forward, ensuring that we consistently exceed client expectations and remain at the forefront of sustainable development.

### 3. *Robust Order Book: A Key Force Driving Our Success*

A robust order book is a clear indicator of a company's financial health and operational excellence, serving as a testament to its consistent market demand and efficient execution capabilities. Over the past years, our company has demonstrated this strength by successfully executing orders worth more than ₹ 100 crores from fiscal 2022 to September 2024. As of March 25, 2025, the company holds orders valued at over ₹ 41 crores, reflecting a well-filled pipeline that secures our operational continuity in the near term. This achievement highlights our ability to attract and retain clients while efficiently delivering value, underscoring our market competitiveness and reliability as a business partner. A robust order book also enables the company to plan resources strategically, optimize workforce productivity, and maintain steady production schedules, ensuring smooth business operations with reduced disruptions.

For investors, this strong order book offers significant advantages and fosters confidence in the company's long-term prospects. It provides clear earnings visibility, reducing uncertainties about future revenue and reinforcing trust in the company's ability to generate consistent cash flows. This predictability is particularly appealing to both institutional and individual investors, as it aligns with their desire for stable returns on their investments. Moreover, a healthy order pipeline reflects the trust and credibility the company commands in its industry, which enhances its reputation and

strengthens its market positioning. These factors collectively contribute to the company's attractiveness as an investment, potentially driving higher valuations, improved shareholder confidence, and a broader investor base. The stability and growth potential implied by a robust order book make it a critical pillar of value creation for both the company and its stakeholders.

#### **4. *Strong Project Execution Capabilities***

Our company takes pride in its exceptional project execution capabilities, which form the backbone of our operational excellence and customer satisfaction. This strength stems from the extensive experience and unwavering commitment of our promoters, senior management, and dedicated team members. With a thorough understanding of industry dynamics and deep technical expertise, we are adept at delivering projects across every service segment within our diverse portfolio. Our systematic approach, combined with robust project management practices, project delivery adhering to quality standards, and alignment with client expectations. From initial planning to final execution, our team consistently demonstrates its ability to handle complex projects with precision and efficiency.

The synergy between our leadership and execution teams further enhances our operational effectiveness. By fostering a culture of collaboration, innovation, and accountability, we empower every team member to contribute to the successful delivery of projects. Our proven track record of completing projects on schedule and within budget not only strengthens client trust but also reinforces our reputation in the market. This capability to seamlessly execute orders across varied service segments positions us as a reliable partner for clients and a resilient competitor in the industry, enabling us to drive sustained growth and maintain a strong foothold in our sector.

#### **5. *Strategic Partnerships: Strengthening Our Capabilities and Delivering Excellence***

Over the years, our company has cultivated strong relationships and strategic partnerships with key stakeholders across the industry. These collaborations include long-standing alliances with suppliers, subcontractors, and technology providers who share our commitment to quality, innovation, and efficiency. By working closely with these trusted partners, we have enhanced our operational capabilities, allowing us to access cutting-edge technologies, specialized expertise, and a reliable supply chain. This collaborative approach not only strengthens our ability to deliver high-quality projects but also ensures consistency in meeting project timelines and maintaining the highest standards of performance.

These partnerships play a vital role in expanding our resources and optimizing cost efficiencies. By leveraging the strengths of our collaborators, we are able to streamline processes, reduce operational risks, and deliver value-added solutions to our clients. This network of trusted relationships also allows us to remain agile in a competitive market, adapt to changing demands, and continuously innovate. Together with our partners, we are well-positioned to execute projects with precision, foster client satisfaction, and sustain our reputation as a dependable and forward-thinking leader in the industry.

#### **6. *Commitment to Quality Assurance and Standards***

Solar module cleaning and water distribution networks are two vital segments of our operations, both of which require the highest standards of quality control to ensure optimal performance and reliability. In solar module cleaning, non-performance of module cleaning system by way of breakdown of pipeline or pumps can result in loss of energy and revenues to the client. We design and install robust and predictable system to ensure that there are no break downs. Our skilled professionals follow industry best practices to ensure the highest quality in every joint, supporting the reliability of renewable energy infrastructure and safeguarding client investments. Similarly, as our company is primarily engaged in water distribution networks and irrigation products, we recognize the immense responsibility of maintaining the highest standards of quality, given that water plays an essential lifeline for communities.

Our comprehensive quality assurance framework spans every stage of our projects, from design and procurement to execution and delivery. We adhere to rigorous protocols, leverage advanced technologies, and implement quality control mechanisms at all levels, ensuring that both our water distribution systems and solar maintenance services meet or exceed regulatory standards and client expectations. Through regular audits, inspections, and ongoing team training, we uphold the integrity of our projects, ensuring long-term sustainability, operational efficiency, and customer trust. This commitment to quality reinforces our role as a trusted provider of both essential water infrastructure and renewable energy solutions, contributing to the well-being of communities and the sustainable management of resources.

## OUR BUSINESS STRATEGIES

### 1. *Strategic Expansion by Embracing Backward Integration for Sustainable Growth*

Our company is thrilled to announce a major milestone in our journey toward enhanced operational efficiency and sustainable growth. As part of our long-term vision, we have acquired a plot spanning 3649 square meters in Ranga Reddy District, Telangana, from The Telangana State Industrial Infrastructure Corporation Limited. This strategic acquisition marks the inception of our in-house manufacturing unit dedicated to producing high-density polyethylene (HDPE) valves and pipe fittings. These components form the backbone of our projects, and until now, we have relied on external suppliers to meet our requirements. By bringing this critical aspect of our supply chain under our control, we aim to ensure a consistent supply of high-quality materials tailored to our exact specifications, enhancing the overall reliability and agility of our operations. We have recognised the need for some specific new and innovative products. Development and production of these innovative products will improve our project delivery and also open new revenue sources for the company.

This move toward backward integration is a pivotal step in reducing our dependency on third-party suppliers, which has posed challenges in terms of costs, timelines, and quality control. With our own manufacturing facility, we anticipate a reduction in project execution costs, enabling us to deliver greater value to our clients while boosting our profit margins. This facility will not only optimize resource utilization but also foster innovation as we explore development of new and innovative products. By investing in this infrastructure, we are reinforcing our commitment to excellence, ensuring our projects are executed seamlessly, and paving the way for long-term profitability and growth. This development underscores our vision to evolve as a self-reliant organization that leads the industry with cutting-edge solutions and a robust supply chain.

### 2. *Expanding Horizons by Strengthening Domestic Presence and Entering International Markets*

As part of our strategic vision, geographical expansion and market diversification remain central to our growth agenda. Domestically, we have established a strong revenue base across most states in India, with substantial market penetration that underscores our ability to deliver value across diverse regions. However, we recognize the vast potential for growth that still exists within the domestic market. By further strengthening our foothold in states where we already operate, we aim to consolidate our leadership position and maximize returns. Simultaneously, we are committed to extending our presence to states where our operations are currently limited or non-existent. This dual approach of fortifying existing markets and venturing into untapped regions will enable us to scale new heights, enhance our brand visibility, and cater to an even broader customer base with our quality-driven solutions.

In addition to our domestic aspirations, we are setting our sights on the international arena to further diversify our revenue streams. We see immense opportunity in entering global markets, leveraging our expertise and competitive advantage. With an existing Import-Export License in place, we are well-positioned to further explore and establish a presence in key international markets. By initiating export operations, we aim to bring our high-quality offerings to a global audience, fostering brand recognition beyond national boundaries. This move will not only unlock new revenue channels but also provide us with a competitive edge, allowing us to adapt to global trends and innovate to meet diverse market needs. Through this dual-pronged strategy of domestic consolidation and international expansion, we are committed to achieving sustainable growth and driving our organization toward a more dynamic and diversified future.

### 3. *Enhance attractiveness through quality execution, cost reduction and continuous training of manpower*

In our industry, cost competitiveness plays a pivotal role in achieving success and sustaining growth, and we are deeply committed to enhancing our efficiency without ever compromising the quality of our work. Our large-scale operations provide a significant advantage, enabling us to leverage economies of scale to maintain a competitive edge. However, we recognize that true operational efficiency extends beyond just cost control—it lies in achieving a harmonious balance of quality assurance, cost minimization, and the timely delivery of projects. At the heart of this efficiency is the skill and craftsmanship of our workforce, which we value as one of our most critical assets. With the demand for skilled talent steadily increasing in India, we are prioritizing initiatives to attract and retain top-tier professionals through robust learning and development programs. By fostering a culture of continuous improvement, we aim to enhance their technical and managerial capabilities, ensuring they are equipped to handle the complexities of modern construction projects. We also believe in offering our employees diverse and enriching experiences by providing opportunities to work both independently and collaboratively on challenging and varied projects. This approach not only cultivates innovation and leadership within our teams but also reinforces our commitment to delivering excellence in every endeavour we undertake.

#### 4. Investing in Automation Technology

As part of our forward-looking strategy, we are focused on integrating automation technology into the water pipeline system sector, recognizing its potential to revolutionize project execution. While this initiative is still in its early stages, we are laying the groundwork for a significant transformation in how we approach our operations. Automation technology can streamline complex processes, enhance precision, and reduce execution time, enabling us to deliver projects with greater efficiency and consistency. To fast-track this transition, we are exploring opportunities to either acquire companies with established expertise in automation for water pipeline systems or form strategic alliances with industry leaders in this domain. By leveraging the advanced capabilities of such partners, we aim to bridge technological gaps, accelerate our adoption of automation, and position ourselves as innovators in the field.

This strategic move is anticipated to bring multifaceted benefits to our operations and clients. By incorporating automation, we can significantly reduce project timelines, optimize resource allocation, and minimize operational errors, all while maintaining the highest standards of quality. Moreover, this initiative aligns seamlessly with our overarching commitment to operational excellence and cost competitiveness, as automation often leads to substantial long-term savings and improved project outcomes. Collaborating with or acquiring companies specializing in automation will also provide us with valuable insights and access to cutting-edge technology, further strengthening our expertise. Through this focused approach, we are not only preparing to address current market demands but also ensuring that we remain at the forefront of industry innovation, ready to meet future challenges with enhanced capabilities.

#### 5. Overcoming Regulatory and Market Challenges Strategy by Prioritizing Private Sector Opportunities

Given our limited exposure to government projects, we have strategically decided to prioritize private sector opportunities, leveraging their flexibility and lucrative potential. Private sector projects provide an advantageous environment where we can operate with fewer regulatory constraints, ensuring smoother workflows and faster decision-making processes. This focus allows us to maintain adaptability, tailoring our solutions to the specific needs of private clients while optimizing resource allocation and project timelines. Additionally, private sector engagements often present higher profitability margins, enabling us to maximize returns and invest further in innovation and efficiency. By concentrating our efforts in this arena, we can mitigate the complexities associated with government regulations while tapping into a vibrant and growing market. This approach not only enhances our operational agility but also positions us to address emerging opportunities with precision and confidence, ensuring sustained growth and competitive advantage.

#### 6. Exploring New Avenues by Expanding into Renewable Energy and Advanced Water Management

As part of our commitment to growth and innovation, we are actively pursuing opportunities in emerging market segments that align with our core competencies. Two key areas of focus include renewable energy infrastructure and advanced water management solutions. By expanding into renewable energy, we aim to contribute to the global transition toward sustainable energy sources while leveraging our expertise in infrastructure development to deliver high-quality, future-ready projects. Similarly, advanced water management solutions present a natural extension of our capabilities, addressing critical challenges such as water conservation, distribution efficiency, and resource sustainability. These sectors not only align with our technical strengths but also resonate with our vision of driving impactful, environmentally conscious developments. By strategically entering these markets, we aim to diversify our portfolio, capitalize on growth opportunities in high-demand industries, and reinforce our position as a leader in forward-looking infrastructure solutions.

### REVENUE BIFURCATIONS (ON CONSOLIDATED BASIS)

#### Sector Wise Revenue Bifurcation

(₹ in lakhs)

Particulars	September 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount of Turnover	% of total Turnover	Amount of Turnover	% of total Turnover	Amount of Turnover	% of total Turnover	Amount of Turnover	% of total Turnover
Government	31.82	0.97%	-	-	2.48	0.08%	3.30	0.13%
Private	3,235.79	99.03%	3,056.55	100.00%	3,286.30	99.92%	2,439.30	99.87%
<b>Total</b>	<b>3,267.61</b>	<b>100.00%</b>	<b>3,056.55</b>	<b>100.00%</b>	<b>3,288.78</b>	<b>100.00%</b>	<b>2,442.60</b>	<b>100.00%</b>

## State Wise Revenue Bifurcation

(₹ in lakhs)

Particulars	September 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount of Turnover	% of total Turnover	Amount of Turnover	% of total Turnover	Amount of Turnover	% of total Turnover	Amount of Turnover	% of total Turnover
Telangana	573.03	17.54%	929.84	30.42%	404.54	12.30%	534.36	21.88%
Andhra Pradesh	130.17	3.98%	339.70	11.11%	1,365.76	41.53%	766.14	31.37%
Karnataka	93.47	2.86%	47.74	1.56%	198.81	6.05%	0.44	0.02%
Odisha	121.62	3.72%	25.50	0.83%	0.85	0.03%	(0.07)*	0.00%
Gujarat	929.15	28.44%	379.12	12.40%	202.43	6.16%	361.65	14.81%
Tamil Nadu	59.99	1.84%	4.16	0.14%	16.66	0.51%	3.20	0.13%
Uttar Pradesh	8.00	0.24%	22.89	0.75%	62.98	1.92%	82.59	3.38%
Madhya Pradesh	236.50	7.24%	9.87	0.32%	9.71	0.30%	99.09	4.06%
Maharashtra	490.68	15.02%	256.95	8.41%	215.36	6.55%	19.08	0.78%
Kerala	-	-	-	-	25.09	0.76%	99.53	4.07%
Haryana	-	-	-	-	-	-	0.31	0.01%
Rajasthan	511.30	15.65%	749.34	24.52%	741.14	22.54%	460.00	18.83%
West Bengal	8.74	0.27%	2.28	0.07%	0.03	0.00%	12.96	0.53%
Punjab	-	-	-	-	-	-	0.03	0.00%
Delhi	1.19	0.04%	24.70	0.81%	2.48	0.08%	3.30	0.13%
Assam	-	-	-	-	16.14	0.49%	-	-
Jharkhand	3.26	0.10%	8.62	0.28%	26.77	0.81%	-	-
Bihar	-	-	0.30	0.01%	0.02	0.00%	-	-
Chhattisgarh	100.52	3.08%	255.52	8.36%	-	-	-	-
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>100.00%</b>	<b>3,056.55</b>	<b>100.00%</b>	<b>3,288.78</b>	<b>100.00%</b>	<b>2,442.60</b>	<b>100.00%</b>

\* Sales return

## OUR TOP CUSTOMERS AND SUPPLIERS

The company supply its products only to different States in India. The following is the breakup of the top one, top five and top ten customers/suppliers of our Company for the six months period ended September 30, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in lakhs)

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
<b>Top Customers</b>								
Top 1 Customer	860.54	26.34%	1,247.05	40.80%	843.39	25.64%	702.07	28.74%
Top 5 Customers	2,045.29	62.59%	2,053.14	67.17%	2,215.61	67.37%	1,536.46	62.90%
Top 10 Customers	2,543.93	77.85%	2,318.13	75.84%	2,528.24	76.87%	1,959.19	80.21%
<b>Top Suppliers</b>								
Top 1 Supplier	309.95	15.79%	513.57	29.36%	204.23	13.95%	159.00	13.99%
Top 5 Suppliers	784.74	39.98%	821.27	46.95%	656.81	44.85%	592.56	52.13%
Top 10 Suppliers	1,132.39	57.69%	1,042.78	59.61%	1,013.64	69.22%	813.27	71.55%



## SWOT ANALYSIS



## OUR LOCATIONAL PRESENCE

**Registered Office:** Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104.

**Ware Houses and Godowns:** We have a Central warehouse where all the fittings and other material are stored and dispatched to respective sites. The address of the ware house is Plot No: 42, Sy.No:185, 186, Mezzanine Floor Thummaluru, Ida, Mankhal Plastic Park Ext, Maheshwaram Mandal, Ranga Reddy District, Telangana State- 501359.

## RAW MATERIAL PROCUREMENT

Due to the nature of our Company's operations, we don't directly purchase any raw materials for project execution. Instead, we procure end materials from various vendors across different locations, selecting suppliers based on client specifications, project design, and site requirements. Below is a summary of the primary materials we utilize:

- 1. HDPE Pipes:** HDPE pipes are essential in our piping and storage tank projects because of their high strength-to-density ratio, providing excellent resilience against impact, weathering, and chemical exposure. They are widely used in constructing pipelines for water and gas distribution networks and in building durable storage tanks. We source most of these materials from our subsidiary, Malaxmi Polymers Private Limited. However, depending on the site location, design specifications, and client requirements, we may also procure materials from other trusted suppliers.
- 2. CPVC & UPVC Pipes:** We primarily source CPVC and UPVC pipes from our subsidiary, Vasavi Building Materials Private Limited, which is an authorized distributor for pipes. Based on specific project needs, we may also procure these materials from third-party vendor.
  - CPVC Pipes & Fittings:** Ideal for residential and commercial water systems, CPVC pipes and fittings are suitable for both hot and cold-water applications.
  - PVC Pipes & Fittings:** Commonly used in agricultural settings, borewell applications, and as ducting for large-scale pipelines, PVC pipes are valued for their durability and versatility.
  - SWR PVC Pipes & Fittings:** These are specifically designed to ensure efficient sewage and waste disposal, making them crucial for waste management systems.

3. **HDPE Fittings:** We are authorized distributor for HDPE Fittings. We are able to source advanced Electrofusion fittings directly from manufacturer, allowing us to provide high-quality materials at competitive prices to our customers. Depending on specific project requirements and design, we may also source fittings from third-party vendors to ensure that all client specifications are fully met.
  - **In Irrigation Projects,** fittings enable secure, leak-proof connections, ensuring efficient water distribution across fields, especially in Center Pivot and drip systems. Electrofusion fittings create strong joints, reducing maintenance and preserving water flow.
  - **In Solar Module Cleaning Systems,** fittings connect water lines to the cleaning apparatus, ensuring precise, stable water delivery for effective cleaning, thus optimizing panel efficiency and minimizing water use.
4. **Center Pivot Irrigation System:** Center pivot machines have been used in irrigation for decades. Center pivots, can lead to increased yields and less water wasted compared to other irrigation practices such as flood irrigation. Center Pivots systems are far superior systems for irrigation of closed row spacing field crops like corn, soyabean, potatoes, wheat, sugarcane etc. Center Pivots offer return on investment in by saving time, labor, fertilizer and chemicals, while virtually eliminating deep percolation and runoff. While the current market for Center Pivots in India is limited, we believe that the land consolidation, labour issues are going to pave way for Center Pivot irrigation systems. Chiraharit is the Authorized Dealer for Center Pivot Irrigation System.
5. **Water Storage Tanks:** The company procures PE water storage tanks, Zinc Aluminium Tank, FRP tanks based on project design requirements from third-party dealers and manufacturers as per client requirement.
6. **Pumping Systems:** Pumping system which includes, the pump sets, electrical control panel, automation equipment like pressure transmitters, protective appurtenances are procured from authorised distributors of the Company. We stock some fast-moving models to ensure timely delivery to our clients.
7. **Civil Materials:** Based on project design and execution needs, we procure Steel, sand, cement, and gravel locally, depending on availability and client specifications. These materials are essential to construction, providing the rigidity and compressive strength required for durable foundations and chambers. The combination of sand, cement, and gravel forms a stable base, ensuring the structural integrity of our projects. We source all kinds of civil materials locally as per individual site requirements.

## MARKETING

At Chiraharit Limited, our marketing strategy revolves around leveraging the strong relationships established by our Promoters and Senior Management team with leading private companies. These relationships, coupled with our timely design and proposal submission, form the backbone of our business success. Our experienced team relies on traditional word-of-mouth and reference-based marketing, alongside consistent, timely, and quality delivery of work orders, to build and maintain trust with clients. These efforts ensure a steady demand pipeline, bolstered by our focus on delivering innovative and technically proficient solutions.

Our strategic approach prioritizes large-scale pressurized water supply projects, targeting top-tier business houses and EPC companies, where we have a proven track record. While we maintain limited exposure to government projects to reduce regulatory risks, we actively focus on private sector opportunities, allowing for greater flexibility and lucrative growth. By delivering superior project execution and customer service, we aim to deepen client relationships and sustain long-term demand in water supply, micro-irrigation systems, and solar module cleaning systems, securing our position as an industry leader.

## INSTALLED CAPACITY & CAPACITY UTILIZATION

Our operational capacity is inherently tied to the expertise and capabilities of our workforce, rather than being defined by fixed outputs from plant or machinery. As a result, conventional metrics for capacity and capacity utilization, typically applied in manufacturing contexts, are not relevant to our service-oriented business model. Our performance is shaped by the skills and adaptability of our human resources, tailored to meet the unique requirements of each project and the dynamic nature of our services.

In this framework, capacity is flexible and scalable, adapting seamlessly to the specific demands of individual projects. Success hinges on assembling the right teams with the necessary expertise, rather than being constrained by physical assets or machinery. Consequently, our focus is on optimizing human capital and strategic resource allocation, ensuring the efficient and high-quality execution of projects, rather than relying on traditional measures of capacity utilization.

## UTILITIES

**Infrastructure:** Our Registered Office is well equipped with computer systems, internet connectivity, Servers with dual back up, ERP systems, licensed utility software required for design and engineering, other communication equipment and security & surveillance which are required for our business operations.

**Power:** Our registered office, in the city of Hyderabad, benefits from a consistent and uninterrupted power supply, ensuring smooth and efficient operations. This facility is powered by Southern Power Distribution Company of Telangana Limited (TGSPDCL). With a sanctioned load of 28 KW, the office's energy requirements are comfortably met, enabling us to maintain optimal productivity in administrative and managerial functions without disruptions.

For our on-site project locations, the electricity and power requirements are provided and managed by the respective clients, ensuring seamless execution of our projects without disruption.

**Water:** Water at our existing premises is required solely for drinking and sanitary purposes, and we have sufficient water resources available to meet these needs. For our EPC projects, the responsibility for providing water at the project site lies with the client, ensuring that all necessary resources are in place for smooth operations.

## HUMAN RESOURCE

At Chiraharit, we place immense value on our human resources, recognizing their pivotal role in driving success within our industry. Our well-structured organizational framework is designed to foster employee growth, motivation, and engagement. By maintaining a balanced mix of experienced professionals and dynamic young talent, we harness the benefits of stability and innovation to support sustained growth. Our diverse and skilled workforce, coupled with efficient operational processes, has been instrumental in executing our strategic growth initiatives.

Our team operates from our registered office and various project sites across the country, ensuring that we effectively address the unique needs of clients in diverse geographical regions. Our continued success relies on our ability to attract, develop, and retain top-tier talent through robust recruitment and training practices. Importantly, we have maintained harmonious employee relations and have not encountered any significant industrial or workforce disputes to date.

As on February 28, 2025 the Company have employed 92 employees, the department wise details of whom are as hereunder:

Sl. No	Category	Department	No. of Employees	Type of employee
1	Directors	General Management	2	Company Pay-roll
2	Engineer - Technical	Engineering	15	Company Pay-roll
3	Manager - F&A	Finance & Accounts	2	Company Pay-roll
4	Manager- Purchase	SCM	3	Company Pay-roll
5	Manager-HR	Human Resources	1	Company Pay-roll
6	Manager – Stores & Dispatch	Central Stores and Dispatch	3	Company Pay-roll
8	Technician - Skilled	Engineering	26	Company Pay-roll
7	Technicians - Semi-Skilled	Engineering	33	Company Pay-roll
9	Executive	Finance & Accounts	4	Company Pay-roll
10	Executive	Administration	2	Company Pay-roll
11	Executive	Human Resources	1	Company Pay-roll
12	Company Secretary	Secretarial	1	Company Pay-roll
<b>Total</b>			<b>92</b>	

Please find below the details of employees registered with Employee Provident Fund and Employee State Insurance as on February 28, 2025:

Department	Number of Employee Covered	Amount Paid
Employee Provident Fund	89	₹ 3,52,966/-
Employees State Insurance	51	₹ 24,424/-

## COMPETITION

We operate in a highly competitive industry characterized by both large, established players and smaller niche participants. While factors such as product quality, brand value, and distribution networks influence client decisions, pricing remains a critical determinant in most cases. The fragmented nature of the industry, with competition from both organized and unorganized sectors, is further intensified by the presence of pipe manufacturers. Additionally, the absence of significant entry barriers allows new entrants and capacity expansions by existing players to heighten the competitive landscape. We compete on multiple fronts, including product availability, quality, and range, striving to meet and exceed market expectations.

Amid this dynamic environment, our diversified portfolio sets us apart by enabling us to cater to a broader range of client needs compared to competitors with more specialized offerings. This flexibility, combined with our commitment to quality, innovation, and customer satisfaction, forms the cornerstone of our competitive strategy. By maintaining a strong focus on these values, we are well-positioned to navigate industry challenges and continue delivering exceptional value, ensuring sustained growth and success in a competitive market.

## EXPORT AND EXPORT OBLIGATION

As of the date of filing this Draft Prospectus, we do not have any export obligations and do not derive any revenue from exports.

## AFTER SALES SERVICE

At Chiraharit, our commitment extends beyond project completion, ensuring seamless operation and long-term satisfaction for our clients. We provide comprehensive after-sales support, including the supply of genuine spare parts, prompt response to emergency breakdowns, and tailored annual maintenance services based on client needs. Our dedicated team is equipped to handle any challenges swiftly, minimizing downtime and ensuring the efficient performance of systems. By maintaining close communication and offering reliable solutions, we build lasting relationships with our clients, reinforcing their trust in our expertise and service excellence.

## PLANTS AND MACHINERIES

Our company does not own large machinery. For our operations, our company has equipment such as generators, an electrofusion machine, tractor, pumps, and storage containers. Plants and machineries at site required for our execution of projects are taken on rent basis.

## DETAILS OF IMMOVABLE PROPERTIES

### Owned Property:

Address	Details of the Deed/ Agreement	Area of Property	Usage
Plot No: 41, Plastic Park, Mankhal, Tumuloor Village, Maheshwaram Mandal, Ranga Reddy District, Telangana State	Agreement for Sale of Plot dated January 11, 2021 executed between M/s. Telangana State Industrial Infrastructure Corporation Ltd (“Seller”) and M/s. Chiraharit Pvt Ltd (“Buyer”)	3649 Sq.Mtr	Proposed HDPE Fittings Factory

### Leased Property:

Address	Details of the Deed/ Agreement	Area of Property	Tenure of Lease	Usage
Survey No 157, Malaxmi Courtyard, Khajaguda Village, Golconda Post, Hyderabad, Telangana - 500104	Lease Agreement dated November 15, 2024 executed between Yarlagaadda Tejaswini (“Lessor”) and M/s. Chiraharit Pvt Ltd (“Lessee”)	4,500 Sq. Ft	11 months till October 14, 2025	Registered office

Address	Details of the Deed/ Agreement	Area of Property	Tenure of Lease	Usage
No 48, Vellalar Street Nolambur, Mugappair West, Chennai, Chennai, Tamil Nadu, 600037	M. Durai Pandi has given one room measuring approx. 120Sq. Ft free of cost to M/s. Chiraharit Pvt Ltd	120 Sq. Ft	From February 24, 2020 till cancelled	Branch office
32/9/17 17a 32/2/6, Madhumalaxmi Chambers, Madhu Gardens, Mogalrajapuram, Krishna, Andhra Pradesh, 520010	Lease Agreement dated November 15, 2024 executed between M/s Malaxmi Infra Ventures India Pvt Ltd (“Lessor”) and M/s. Chiraharit Pvt Ltd (“Lessee”)	500 Sq. Ft	11 months till October 14, 2025	Branch office
M No 925, Gursale, Nr Vitthal Sahakari Sugar Factory, Pandharpur, Gurasale, Solapur, Maharashtra, 413304	Tenancy Agreement dated November 15, 2024 executed between Mukund Abhiman Gavandhare (“Owner”) and M/s. Chiraharit Pvt Ltd (“Tenant”)	750 Sq. Ft	11 months till June 14, 2025	Site office
Plot No: 42, Sy.No:185, 186, Mezzanine Floor Thummalur, Ida, Mankhal Plastic Park Ext, Maheshwaram Mandal, Ranga Reddy District, Telangana State- 501359	Lease Agreement dated November 15, 2024 executed between M/s Malaxmi Polymers Pvt Ltd (“Lessor”) and M/s. Chiraharit Pvt Ltd (“Lessee”)	2,500 Sq. Ft	11 months till October 14, 2025	Warehouse for storage of goods

#### INSURANCE POLICIES




Policy No.	Name of the Insurer	Policy Type	Asset Insured	Sum Assured (₹ in lakhs)	Valid Till
4005/384294921/00/000	ICICI Lombard General Insurance Company LTD	Group Personal Accident	1. Death 2. Permanent Total Disablement 3. Permanent Partial Disablement 4. Temporary Total Disablement	2,965 lakhs	18/02/2026
4016/X/O/38293 2859/00/000	ICICI Lombard General Insurance Company LTD	Group Health (Floater) Insurance	Health Insurance for employees	305 lakhs	18/02/2026
1016/350304559 /000/00	ICICI Lombard General Insurance Company LTD	ICICI Bharat Sookshma Udyam Suraksha	Malaxmi courtyard, survey no 157 khajaguda village-500018 Telangana Hyderabad	10 lakhs	27/06/2025
2712/00149167/000/00	Cholamandalam MS General Insurance Company Limited	Employees Compensation Insurance	Multiple location; Multiple Employees	28.56 lakhs	28/08/2025
P0125300028/410 3/ 100862	MAGMA HDI General Insurance Company Ltd	Motor Vehicle Policy	Loss of or Damage to The Vehicle Insured	Up to 7.93 lakhs	18/10/2025
61310946240100 000084	The New India Assurance Co. Ltd	Burglary Policy	1. DNA Sitedharma Vana Arboretum (DVA), Tree Conservation Garden, Near Hussainbad Railway Gate, Bhongiri, 2. Chiraharit store, plot	160 lakhs	16/03/2026





Policy No.	Name of the Insurer	Policy Type	Asset Insured	Sum Assured (₹ in lakhs)	Valid Till
			no:42,sy no:185, 186, IDA, Mankhal Plastic Park extn., Thummaluru, Maheswaram (M) and 3. Compressed Bio Gas Plant, Behind Karkana Disallery Plant, Venu Nagar Post, Gursal Taluka, Pandharpur		
61310911248700 000059	The New India Assurance Co. Ltd	New India Bharat Flexi Sookshma Udyam Suraksha (Stock Insurance)	1. DNA Sitedharma Vana Arboretum (DVA), Tree Conservation Garden, Near Hussainbad Railway Gate, Bhongiri, 2. Chiraharit store, plot no:42,sy no:185, 186, IDA, Mankhal Plastic Park extn., Thummaluru, Maheswaram (M) and 3. Compressed Bio Gas Plant, Behind Karkana Disallery Plant, Venu Nagar Post, Gursal Taluka, Pandharp Ur, Solarpur Dist, Maharashtra 413007	350 lakhs	16/03/2026

## INTELLECTUAL PROPERTY RIGHTS

## Trademarks:

Application No	TRADEMARK	Class	Trademark Type	Date of Application	Status	Validity
4547474, 4547475		17,19	Device mark	27/06/2020	Registered*	27/06/2030
2226110, 2226104, 2226105, 2226103, 2226107, 2226109, 2226111, 2226112, 2226113, 2226114		43, 4, 30, 1, 32, 35, 44, 22, 23, 29	Device mark	28/10/2021	Registered*	28/10/2031
1423939, 1423938, 1423952, 1423951, 1423950, 1423949, 1423948		36, 37, 38, 39, 40, 41, 42	Device mark	23/02/2016	Registered*	23/02/2026

Application No	TRADEMARK	Class	Trademark Type	Date of Application	Status	Validity
6756957, 6756958, 6756959, 6756960, 6756961		7, 9, 17, 19, 35	Device mark	14/12/2024	Formalities Chk Pass	N. A
6736255, 6736256		37, 40	Device mark	02/12/2024	Formalities Chk Pass	N. A
6787730, 6787731, 6787732, 6787712, 6787709, 6787710, 6787711	CHIRAHARIT	7, 9, 17, 19, 35, 37, 40	Wordmark	03/01/2025	Formalities Chk Pass	N. A
6756948, 6756949, 6756950, 6756951, 6756956,	CHIRAMAX	7, 9, 17, 19, 35	Wordmark	14/12/2024	Formalities Chk Pass	N. A
6736253, 6736254	CHIRAMAX	37, 40	Wordmark	02/12/2024	Formalities Chk Pass	N. A

\* registered in the name of Malaxmi Group Private Limited. Our company has been granted right to use vide Memorandum of Understanding dated 26/12/2024

#### DOMAIN NAME

Domain Name	Registry Domain ID	Creation Date	Expiry Date
Chiraharit.com	PDR Ltd. d/b/a PublicDomainRegistry.com	September 15, 2016	September 15, 2026

## 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.*

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.*

*In addition to what has been specified in this Draft Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “**Government and Other Approvals**” beginning on page no 243 of this Draft Prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

### **APPROVALS**

*For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Approvals**” beginning on page number 243 of this Draft Prospectus.*

### **APPLICABLE LAWS AND REGULATIONS**

#### **LAWS RELATING TO INDUSTRY**

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

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME") the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed fifty crore and turnover does not exceed two hundred and fifty crore rupee

#### **LAWS RELATING TO THE SPECIFIC STATE WHERE OUR ESTABLISHMENT IS SITUATED**

##### **Shops and establishments laws in various states**

As per the provisions of local Shops and Establishments laws applicable in the state of Andhra Pradesh and Telangana establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **Stamp Act in various states**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments / documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Government of Andhra Pradesh and Telangana are empowered to prescribe or alter the stamp duty as per their need.

### **Professions, Trade, Callings and Employments Act in various states**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Andhra Pradesh and Telangana are empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **LABOUR AND EMPLOYMENT RELATED LAWS**

### **Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 as amended (the Payment of Wages Act) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a el, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than Rs. 6,500 per month.

### **Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976, as amended (ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

### **Apprentices Act, 1961**

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term Apprentice means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

### **Payment of Gratuity Act, 1972**

This act applies to all factories, mines, oilfields, plantations, ports and railway companies. But in the case of shops or establishments, other than those stated before, it applies to those organizations with 10 or more people employed on any day of the preceding 12 months. If the number of employees is below 10, the employer must still pay gratuities. Thus, no employer will be able to refuse gratuity under this act based on the number of employees. The act does not apply to apprentices and persons who hold civil posts under the Central Government or State Governments and are subjected to any other act or rule other than this act.

**Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus specified under the Act to the employees. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also requires for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

**Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

**Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961, as amended regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

**Employees' State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. Whereas it is expedient to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The 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 Employee State Insurance department.

**Employees (Provident Fund and Miscellaneous Provisions) Act, 1952**

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (PF Act), provides that every establishment employing more than 20 (twenty) persons, either directly or indirectly, in any other capacity whatsoever, is covered by the provisions of the PF Act. The employer of such establishment is required to make a monthly contribution matching to the amount of the employee's contribution to the provident fund. It is also mandatory requirement to maintain prescribed records and registers and filing of forms with the PF authorities. The PF Act also imposes punishments on any person who violate any of the provisions of the schemes made under the PF Act and specifically on employers who contravene or default in complying with certain provisions of the PF Act. If the person committing an offence is a company, every person, who at the time the offence was committed was in charge of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be prosecuted accordingly.

**Workmen's Compensation Act, 1923**

The Workmen Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.



### **Child Labour (Prohibition and Regulation) Act, 1986**

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

### **Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines Sexual Harassment to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

### **Trade Union Act, 1926 And Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

## **TAXATION RELATED LAWS**

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

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and-Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax like are also required to be complied by every Company.

### **Goods and Services Tax Act, 2017**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Tax payers with an aggregate turnover of Rs. 20 lakhs would be exempted from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year up to Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers

known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

## **ENVIRONMENTAL LAWS**

### **The Environment Protection Act, 1986 (the “Environment Protection Act”) and The Environment (Protection) Rules, 1986 (the “Environment Protection Rules”)**

The Environment Protection Act was enacted to act as an “umbrella” legislation designed to provide a framework for coordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the Central Government to protect and improve environment quality, control, and reduce pollution.

The Environment Protection Rules framed under the Environment Protection Act lay down specific provisions regarding standards for emission or discharge of environmental pollutants, prohibition of carrying out industrial activities in certain geographical locations, procedures for function of environmental laboratories and submission of samples. The draft Environment (Protection) Amendment Rules, 2020 provide for regulations on use of membrane-based water purification system which, if passed, shall be applicable to all filtration-based purification or wastewater treatment system, where polymer-based membrane is used and discarded at the end of its life.

### **Public Liability Insurance Act, 1991 (“PLI Act”)**

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. The rules made under the PLI Act mandate that the owner shall contribute towards the environmental relief fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

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

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned state PCB. The Water Act also provides that the consent of the concerned state PCB must be obtained prior to establishing any industry, operations or any treatment and disposal system, which is likely to discharge sewage or effluent into a water body.

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

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and state PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, inter alia, standards for meters and places where they are to be affixed and the furnishing of returns by consumers.

### **The Plastic Waste Management Rules, 2016**

The Plastic Waste Management Rules of 2016 provide us with the sharpest measures taken against plastic use in India. The most significant feature of these rules is that the plastic manufacturers and retail establishments that use plastic as their main component are legally bound to follow the system of collecting back the plastic waste.

### **Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. Every occupier and operator of a facility generating hazardous waste must obtain approval from the relevant state pollution control board. The occupier is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

**IMPORT-EXPORT REGULATIONS****Foreign Direct Investment Policy, 2020**

The Foreign Direct Investment (FDI) Policy aims to attract and promote foreign investment to supplement domestic resources for accelerated economic growth. FDI is subject to compliance with relevant sectoral laws, regulations, security conditions, and state/local laws. The Consolidated FDI Policy 2020, issued by the Department for Promotion of Industry and Internal Trade (DPIIT), establishes guidelines for FDI inflows into India. It is updated annually to align with regulatory changes.

**Foreign Trade (Development and Regulation) Act, 1992**

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter is required to obtain an 'Importer Exporter Code' from the Director General of Foreign Trade or from any other duly authorized officer.

**Foreign Trade Policy**

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP.

**Foreign Exchange Management Act, 1999 ("FEMA") and Regulations Framed Thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations"), as amended from time to time to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

**INTELLECTUAL PROPERTY RELATED LAW****Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter-alia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

**The Design Act, 2000**

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined which in the finished article appeal to and is judged solely by the eye. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

**Trade Marks Act, 1999**

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future.

Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

**GENERAL LEGISLATIONS****Companies Act, 2013 (“Companies Act”)**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29<sup>th</sup> August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the director’s payable by the companies is under Part II of the said schedule.

**Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the —CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

**Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

**Specific Relief Act, 1963**

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

**Sale of Goods Act, 1930**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

**Code of Civil Procedure, 1908**

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

**Arbitration and Conciliation Act, 1996.**

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement

**Bhartiya Nyaya Sanhita, 2023**

This act supersedes the Indian Penal Code, 1860, this comprehensive legal framework addresses various facets of criminal law, including offenses, penalties, defenses, and procedural guidelines. The Bhartiya Nyaya Sanhita Act largely retains provisions from the Indian Penal Code, 1860, but also introduced new offences including but not limited to cybercrimes, environmental violations, and removed invalidated offences that were earlier there, and enhances penalties for certain offences. Notably, community service replaced the sedition as a form of punishment and terrorism is also explicitly recognizes as an offence. The Bhartiya Nyaya Sanhita Act streamlines legal procedures, ensuring faster trials and emphasizes on witness protection and evidence collection.

**Bhartiya Nagrik Suraksha Sanhita Act, 2023**

This act superseded the Code of Criminal Procedure, 1973, and became the main legislation on procedure for administration of substantive criminal law in India, this act received assent from the president of India on December 25, 2023 and came into effect from July 01, 2024. The Bhartiya Nagrik Suraksha Sanhita Act, introduces specific timelines for investigation and trial, ensures timely FIR registration for complaints submitted through electronic communication, mandates forwarding medical examination reports of rape victims within seven days, and empowers courts to conduct trial in absentia against proclaimed offenders. Additionally, the Act emphasizes prompt judgment pronouncement and requires audio-video recording of search and seizure during investigations. Notably, proceeds of crime can be attached by the court and distributed



among victims. The Bhartiya Nagrik Suraksha Sanhita Act aims to expedite proceedings and enhance transparency in the criminal justice system.

**Bhartiya Sakshya Adhinyam Act, 2023**

This act superseded the Indian Evidence Act, 1872, this act modernizes evidence handling within the Indian legal system, addressing digital evidence and other contemporary issues. This act focuses on procedural aspect of law, governing how rights may be enforced before a court of law. This act introduces changes related to electronic evidence definitions and admissibility procedures. This act received presidential assent on December 25, 2023 and came into effect from July 01, 2024, this act has omitted certain terms which were earlier present in the Indian Evidence Act and the major change was to include electronic evidence as part of the definition of documentary records and also included the possibility of giving oral evidence electronically.

**Negotiable Instruments Act, 1881**

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

**Indian Stamp Act, 1899**

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.

**Consumer Protection Act, 2019 (“CPA”)**

CPA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. CPA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. CPA provides for a three - tier consumer grievance redressal mechanism at the national, state and district levels. Non - compliance of the orders of these authorities attracts civil and or criminal penalties.

**OTHER APPLICABLE LAWS****Municipality Laws**

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

**Approvals from Local Authorities**

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state bio-Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## OUR HISTORY AND CERTAIN CORPORATE MATTERS

### HISTORY AND BACKGROUND

Our company was originally incorporated as a Private Limited Company under the name and style of **“Brahmani Ventures Private Limited”** in accordance with the Companies Act, 1956 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Andhra Pradesh on August 04, 2006 with the corporate identification number (CIN) being U45101AP2006PTC050818. Later, the name of the Company has been changed to **“Chiraharit Agro Farms Private Limited”** in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on September 18, 2015 with the corporate identification number (CIN) being U01403TG2006PTC050818. Further, the name of the Company was once again changed to **“Chiraharit Private Limited”** in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on May 30, 2016 with the corporate identification number (CIN) being U29100TG2006PTC050818. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to **“Chiraharit Limited”** vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 02, 2024, bearing Corporate Identification Number U29100TG2006PLC050818, issued by Central Processing Centre.

### REGISTERED OFFICE

Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104.

### CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

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 Prospectus.

Date	Details of Registered Office	Reason for Change
At Incorporation	Nava Bharat Chambers, No.6-3-1109/1, 3rd Floor, Rajbhavan Road, Somajiguda, Hyderabad, Andhra Pradesh, India-500082	----
March 24, 2008	Malaxmi House, 8-2-583/3 Road No.9, Banjara Hills, Hyderabad, Andhra Pradesh, India-500034	For Administrative Convenience
December 21, 2009	Flat No.305, Udaya Vensor, Plot # 59 To 61, Jubilee Gardens, Kothaguda, Hyderabad, Andhra Pradesh, India-500084	For Administrative Convenience
July 14, 2012	Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Golconda Post, Hyderabad, Andhra Pradesh, India, 500008	For Administrative Convenience
November 05, 2020	Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104	Due to change in jurisdiction of Post Office

### MAIN OBJECTS OF OUR COMPANY:

The Main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

- To carry on the business of design, manufacturing, trading, importing, exporting and commissioning activities relating to drip, sprinkler, pivot irrigation equipments, pipes including PVC, high density poly ethylene pipes, low density poly ethylene pipes and on-line drippers, sprinklers, rain guns, pumps, pump sets and all and every kind of fittings used in irrigation, drip irrigation, sprinkler and pivot irrigation systems including related civil works.
- To carry on in India or elsewhere, the business to manufacture, produce, process, repairs, import, export, buy, sell, re trade and to act as agent, franchiser, distributor, advisor, consultant, or otherwise to deal in all sorts and varieties of Pipes, raw materials, intermediates and fittings for Irrigation systems.

3. To carry on in India or abroad the business of developing, constructing, establishing, commissioning, setting up, operating, maintaining, alteration, pulling down and restore either alone or jointly with any other companies or persons, Government, firms, associations, authorities, bodies, trusts, agencies, societies or any other person or persons engaged in or in connection with either directly or indirectly and whether wholly or in part, for the purposes of infrastructure development work or providing infrastructure facility or engaged in infrastructure activities, which shall include work or facility or providing of services in relation to or in connection with setting up, development, construction, operation, maintenance, modernization, expansion and improvement of any infrastructure project or facility including irrigation and irrigation systems, lift irrigation systems, drip irrigation system, sewerage, water supply, canals, spill ways, dams, culvert, etc.
4. To plant, produce, manufacture, process, grind, blend, flavor, convert, extract, prepare, store, preserve, pack, dehydrate, distil, refine, trade, buy, sell, and deal as wholesalers, exporters, importers, principals or agents or otherwise in all types of foods, vegetables, edible oils, oil seed derivatives and by-products, oleoresins, essential oils, seeds, pulps, cereals, animal feeds, canned, tinned and processed foods, protein, health and instant foods of all kinds and consumables of every description for human or animal consumption and to carry on the business of trading of agricultural and related products, exploring business opportunities relating to the trading of agricultural and related products providing administrative and support services to parties involved in the trading of agricultural and related products in India or in any part of the world.
5. To carry on the business of development of infrastructure for food processing industry, setting up, construction, maintenance, operation and promote food and agro processing industries, food technology parks, food technology services parks, agri bio parks, industrial parks, food parks, technology parks, food processing industrial estates with common infrastructure and facilities for promotion of independent industrial food processing units related to agricultural infrastructure projects, agricultural commodities, processed products, etc.
6. To enter into, execute and implement any arrangement, agreement, collaboration, joint venture, profit sharing arrangements, union of interest, and/or reciprocal concession with any concern, company, corporation, firm or individual in India or abroad for the purpose of carrying on any or all of the objects mentioned above.

**MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) HEREOF ARE:**

- 1A. To obtain all necessary permits or licences required for the purpose of enabling the company to carry on its business upon such terms and conditions as may be acceptable to it and to make and carry into effect all arrangements of what so ever nature with the governments, public authorities, individuals and private corporations, whether nationally or internationally, in relation to the company business.

**AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLE OF ASSOCIATION OF OUR COMPANY**

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association and Article of Association:

<b>Date of Amendment / Shareholders' resolution</b>	<b>Nature of Amendment</b>
<i>December 22, 2014</i>	<ul style="list-style-type: none"> <li>• <i>Clause I of Memorandum of Association and Articles of Association was amended to reflect change in name from "Brahmani Ventures Private Limited" to "Chiraharit Agro Farms Private Limited".</i></li> <li>• <i>Alteration of MOA by Adoption of Table A Schedule I of Companies Act, 2013.</i></li> <li>• <i>Change of Objects consequent to Change of Name in Clause 3 (A) and 3 (B) to reflect the agri, reality and other related objects.</i></li> <li>• <i>Alteration of AOA by Adoption of Table F Schedule I of Companies Act, 2013.</i></li> </ul>
<i>May 14, 2016</i>	<ol style="list-style-type: none"> <li>1. <i>Alteration of Clause III (A) and Insertion of Clause III (B) of MOA for Alteration of objects to pursue irrigation business.</i> <ul style="list-style-type: none"> <li>• <i>To carry on the business of design, manufacturing, trading, importing, exporting and commissioning activities relating to drip, sprinkler, pivot irrigation equipments, pipes including PVC, high density poly ethylene pipes, low density poly ethylene pipes and on-line drippers, sprinklers, rain guns, pumps, pump sets and all and every kind of</i></li> </ul> </li> </ol>

Date of Amendment / Shareholders' resolution	Nature of Amendment
	<p>fittings used in irrigation, drip irrigation, sprinkler and pivot irrigation systems including related civil works.</p> <ul style="list-style-type: none"> <li>To carry on in India or elsewhere, the business to manufacture, produce, process, repairs, import, export, buy, sell, re trade and to act as agent, franchiser, distributor, advisor, consultant, or otherwise to deal in all sorts and varieties of Pipes, raw materials, intermediates and fittings for Irrigation systems.</li> <li>To carry on in India or abroad the business of developing, constructing, establishing, commissioning, setting up, operating, maintaining, alteration, pulling down and restore either alone or jointly with any other companies or persons, Government, firms, associations authorities, bodies, trusts, agencies, societies or any other person or persons engaged in or in connection with either directly or indirectly and whether wholly or in part, for the purposes of infrastructure development work or providing infrastructure facility or engaged in infrastructure activities, which shall include work or facility or providing of services in relation to or in connection with setting up, development, construction, operation, maintenance, modernization, expansion and improvement of any infrastructure project or facility including irrigation and irrigation systems, lift irrigation systems, drip irrigation system, sewerage, water supply, canals, spill ways, dams, culvert, etc.</li> <li>To plant, produce, manufacture, process, grind, blend, flavor, convert, extract, prepare, store, preserve, pack, dehydrate, distil, refine, trade, buy, sell, and deal as wholesalers, exporters, importers, principals or agents or otherwise in all types of foods, vegetables, edible oils, oil seed derivatives and by-products, oleoresins, essential oils, seeds, pulps, cereals, animal feeds, canned, tinned and processed foods, protein, health and instant foods of all kinds and consumables of every description for human or animal consumption and to carry on the business of trading of agricultural and related products, exploring business opportunities relating to the trading of agricultural and related products providing administrative and support services to parties involved in the trading of agricultural and related products in India or in any part of the world.</li> <li>To carry on the business of development of infrastructure for food processing industry, setting up, construction, maintenance, operation and promote food and agro processing industries, food technology parks, food technology services parks, agri bio parks, industrial parks, food parks, technology parks, food processing industrial estates with common infrastructure and facilities for promotion of independent industrial food processing units related to agricultural infrastructure projects, agricultural commodities, processed products, etc.</li> <li>To enter into, execute and implement any arrangement, agreement, collaboration, joint venture, profit sharing arrangements, union of interest, and/or reciprocal concession with any concern, company, corporation, firm or individual in India or abroad for the purpose of carrying on any or all of the objects mentioned above.</li> </ul> <p><b>MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) HEREOF ARE:</b></p> <ol style="list-style-type: none"> <li>1A. To obtain all necessary permits or licences required for the purpose of enabling the company to carry on its business upon such terms and conditions as may be acceptable to it and to make and carry into effect all arrangements of what so ever nature with the governments, public authorities, individuals and private corporations, whether nationally or internationally, in relation to the company business.</li> <li>2. <i>Clause I of Memorandum of Association and Articles of Association was amended to reflect change in name from "Chiraharit Agro Farms Private Limited" to "Chiraharit Private Limited".</i></li> <li>3. <i>Alteration of MOA for Sub-division of each Rs.10/- face value equity shares into 10 equity shares of Re. 1/- each.</i></li> </ol>

Date of Amendment / Shareholders' resolution	Nature of Amendment
	4. Alternation in the Clause 5 of MOA pursuant to increase in Authorised Share Capital from ₹ 1,00,000/- divided into 10,000 Equity Shares of ₹ 10/- each to ₹ 25,00,000/- divided into 25,00,000 Equity Shares of ₹ 1/- each.
August 01, 2024	<ul style="list-style-type: none"> <li>Alternation in the Clause 5 of MOA pursuant to increase in Authorised Share Capital from ₹ 25,00,000/- divided into 25,00,000 Equity Shares of ₹ 1/- each to ₹ 6,00,00,000/- divided into 6,00,00,000 Equity Shares of ₹ 1/- each.</li> <li>Renumbering of the Sub-Clauses 10-44 and Sub Clauses 6-40 withing clause III (B) of MOA of the company</li> </ul>
November 19, 2024	<ul style="list-style-type: none"> <li>Clause I of Memorandum of Association and Articles of Association was amended to reflect change in name from “Chiraharit Private Limited” to “Chiraharit Limited” pursuant to conversion of our Company from Private Limited to Public Limited Company.</li> </ul>

## CORPORATE PROFILE OF OUR COMPANY

Details regarding the description of our Company’s activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, distributors and customers, segment, capacity/facility creation, launch of key products, entry in new geographies, capacity built-up, location of manufacturing facilities, location of warehouses, marketing and competition, please refer to the chapters titled **“Our Business”**, **“Our Management”** and **“Management’s Discussion and Analysis of Financial Position and Results of Operations”** on pages 106, 149 and 226 respectively, of this Draft Prospectus.

## MAJOR EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Key Events & Milestones
2006	<ul style="list-style-type: none"> <li>Incorporation of Private Limited Company in the name of M/s. Brahmani Ventures Private Limited.</li> </ul>
2014	<ul style="list-style-type: none"> <li>Change in name from “Brahmani Ventures Private Limited” to “Chiraharit Agro Farms Private Limited”.</li> </ul>
2016	<ul style="list-style-type: none"> <li>First work order for Solar Module Cleaning System.</li> <li>Change in name from “Chiraharit Agro Farms Private Limited” to “Chiraharit Private Limited”.</li> <li>Appointed as a distributor for Lindsay Inc. USA, for Center Pivots (irrigation system) in India.</li> </ul>
2021	<ul style="list-style-type: none"> <li>Completion of 100<sup>th</sup> Solar Module Cleaning System Project.</li> </ul>
2023	<ul style="list-style-type: none"> <li>Appointed as a distributor for Norma Group, Germany, for Electrofusion fittings, expanding our product offerings.</li> </ul>
2024	<ul style="list-style-type: none"> <li>Purchase Order for Largest Single-Location Solar Module Cleaning System Project (2500 MW).</li> <li>Change in name from “Chiraharit Private Limited” to “Chiraharit Limited” pursuant to conversion of our Company from Private Limited to Public Limited Company.</li> </ul>

## SIGNIFICANT FINANCIAL AND STRATEGIC PARTNERSHIPS

As on the date of this Draft Prospectus, our Company does not have any significant strategic or financial partners.

## LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/FACILITY CREATION OR LOCATION OF STORES

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/ facility creation and location of stores, see **“Our Business”** and **“History and Certain Corporate Matters”** on pages 106 and 143 of this Draft Prospectus.



#### **TIME/COST OVERRUN IN SETTING UP PROJECTS**

As on the date of this Draft Prospectus, there has been no time and cost overruns in the Company.

#### **DEFAULTS, RESCHEDULING OR RESTRUCTURING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

As on the date of this Draft Prospectus, there has been no default, rescheduling or restructuring of borrowings with financial institutions or banks.

#### **DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS, ETC. IN THE LAST 10 YEARS**

Except as mentioned in chapter “*History and Certain Corporate Matters*” beginning on page no. 143, 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 Prospectus.

#### **HOLDING COMPANY**

As on the date of this Draft Prospectus, our Company does not have a holding company.

#### **JOINT VENTURES OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company does not have any joint ventures.

#### **SUBSIDIARIES OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company has following 2 (Two) Subsidiaries:

1. M/s Malaxmi Polymers Private Limited
2. M/s Vasavi Building Materials Private Limited (Wholly Owned Subsidiary)

For details of our subsidiaries, see “Group Companies of our Company” beginning on page 174 of this Draft Prospectus.

#### **ASSOCIATES OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company does not have any associates.

#### **DETAILS OF SHAREHOLDERS’ AGREEMENT**

As on date of this Draft Prospectus, there are no subsisting shareholders’ agreements among our shareholders vis-à-vis our Company.

#### **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

Neither our Promoters, nor any of the Key Managerial Personnel or Senior Management, Directors or employees of our Company have entered into any agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

#### **MATERIAL AGREEMENTS**

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business.

For details on business agreements of our Company, see “*Our Business*” beginning on page 106 of this Draft Prospectus.

#### **GUARANTEES GIVEN BY OUR PROMOTERS**

Our Promoters have not given any guarantee to any third parties as on the date of this Draft Prospectus except in favour of Lending Bank as collateral security for the Borrowings of the Company.

#### **CAPITAL RAISING (DEBT / EQUITY)**

Except as set out in the Sections titled ***“Capital Structure”*** and ***“Financial Indebtedness”*** beginning on page no 58 and 221 respectively of this Draft Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

#### **INJUNCTION OR RESTRAINING ORDER**

Our company is not operating under any injunction or restraining order.

#### **DETAILS REGARDING PAST PERFORMANCE OF THE COMPANY.**

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to Section titled ***“Financial Statements as restated”*** beginning on page no. 180 of this Draft Prospectus.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST TEN (10) YEARS**

Except as mentioned in chapter ***“Our History and Certain Corporate Matters”*** beginning on page no. 143 of Draft Prospectus, there have been no changes in the activity of our Company during the last ten (10) years preceding as on the date of this Draft Prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

#### **SHAREHOLDERS OF OUR COMPANY**

As on the date of this Draft Prospectus, our Company has **8** (Eight) shareholders. For further details in relation to the current shareholding pattern, please refer to Section titled ***“Capital Structure”*** beginning on page no. 58 of this Draft Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

As on the date of Draft Prospectus, our Company has 5 (Five) Directors on our Board consisting 1 (One) Managing Director, 1 (One) Executive Director, 1 (One) Non-Executive Woman Director and 2 (Two) Independent Directors.

The details of the Directors are as follows:

Sl. No.	Name of the Director	DIN	Current Designation	Date of Joining <sup>#</sup>
1	Pavan Kumar Bang	03614791	Managing Director & CEO	20-08-2012
2	Venkata Ramana Reddy Gaggenapalli	07532133	Executive Director	11-05-2016
3	Tejaswini Yarlaga	00232268	Non-Executive Director	11-05-2016
4	Venkata Chakrapani Chaturvedula	10813796	Independent Director	11-12-2024
5	Anantha Krishna Nageshwara	08455478	Independent Director	11-12-2024

<sup>#</sup> Original date of appointment as per MCA database.

The following table sets forth details regarding the Board of Directors as on the date of this Draft Prospectus:

Sl. No.	Particulars	Details
1	Name of the Director	<b>Pavan Kumar Bang</b>
	Father's Name	Satyanarayana Bang
	Residential Address	Flat No 801, Block F, Casa Rouge, jubilee Garden, Kondapur, Serilingampally, K.V. Rangareddy District, Telangana - 500084
	Date of Birth	23-12-1977
	Age	47
	Designation	Managing Director & CEO
	DIN	03614791
	Occupation	Business
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>Post Graduate Diploma in Agri-Business Management in 2002, from MANAGE, Hyderabad</li> <li>Graduate in Agricultural Sciences in 2000, from ANGRAU, Hyderabad.</li> </ul>
	No. of Years of Experience	More than 20 years
	Date of Appointment	Originally appointed as Executive Director on 20-08-2012, designation changed to Managing Director & CEO on 01-04-2024.
	Terms of Appointment	Appointed for a term of 5 years up to 31 <sup>st</sup> March, 2029; Not liable to retire by rotation.
	Directorship in other companies	<ul style="list-style-type: none"> <li>Vasavi Building Materials Private Limited</li> <li>Malaxmi Polymers Private Limited</li> <li>Malaxmi Trade Center Private Limited</li> <li>Malaxmi Educational Services Private Limited</li> </ul>
	Other Ventures	Nil

Sl. No.	Particulars	Details
2	Name of the Director	<b>Venkata Ramana Reddy Gaggenapalli</b>
	Father's Name	Matta Reddy Gaggenapalli
	Residential Address	H.No: 10-18/GGV 18, Garden Groove Villas, Ramky Discovery City, Maheswaram, Sreenagar, Mankhal, KV Rangareddy, Telangana - 501359
	Date of Birth	16-10-1967
	Age	57
	Designation	Executive Director
	DIN	07532133
	Occupation	Business
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>• M.Tech in Agricultural Engineering, in 2009, From ANGRAU Hyderabad</li> <li>• B.Tech in Agricultural Engineering in 1991, ANGRAU, Hyderabad.</li> </ul>
	No. of Years of Experience	More than 25 years
	Date of Appointment	Originally appointed as Non-Executive Director on 11-05-2016, designation changed to Executive Director on 01-04-2024.
	Terms of Appointment	Appointed with effect from 1 <sup>st</sup> April, 2024; Liable to retire by rotation.
	Directorship in other companies	<ul style="list-style-type: none"> <li>• Vasavi Building Materials Private Limited</li> </ul>
	Other Ventures	Nil

Sl. No.	Particulars	Details
3	Name of the Director	<b>Tejaswini Yarlagadda</b>
	Father's Name	Paladugu Bhadravatha
	Residential Address	Villa No: A-14, Lake Community, Emaar Boulder Hills, Opp Microsoft, Gachibowli, KV Rangareddy District, Telangana - 500032
	Date of Birth	25-08-1964
	Age	60
	Designation	Non-Executive Director
	DIN	00232268
	Occupation	Business
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>• Doctor of Philosophy (Ph.D) in Socio Economic History School of Social Sciences in 1996 from University of Hyderabad</li> <li>• Masters of Philosophy (M.Phil) in 1990, From University of Hyderabad.</li> <li>• Masters of Arts (History) in 1988 from University of Hyderabad</li> </ul>
	No. of Years of Experience	More than 20 Years
	Date of Appointment	Originally appointed as Director on 04-08-2006, resigned on 14-02-2012, re-appointed as Additional Non-Executive Director on 11-05-2016, regularised as Non-Executive Director on 30-09-2016.
	Terms of Appointment	Appointed with effect from 30 <sup>th</sup> September, 2016; Liable to retire by rotation.

Sl. No.	Particulars	Details
	Directorship in other companies	<ul style="list-style-type: none"> <li>• Hariteja Avenues Private Limited</li> <li>• Malaxmi Group Private Limited</li> <li>• Malaxmi Projects Private Limited</li> <li>• Mandaram Avenues Private Limited</li> <li>• Plexal Private Limited</li> <li>• Yarlagadda Estates Private Limited</li> <li>• Malaxmi Infra Ventures (India) Private Limited</li> <li>• Cultural Center of Amaravati (Sec.8 Company)</li> <li>• Acacia Projects Private Limited</li> <li>• Ramalakshmi Estates Private Limited</li> <li>• Sedibus Foundation (Section 8 Company)</li> <li>• Acacia Hotels &amp; Resorts Private Limited</li> <li>• Malaxmi Trade Center Private Limited</li> <li>• Xemx Projects Private Limited</li> <li>• Serenity Homes Private Limited</li> <li>• Xemx Energy Private Limited</li> <li>• Dharmavana Nature Ark Association (Section 8 Company)</li> <li>• Malaxmi Developers Private Limited</li> <li>• Onetron Energy Private Limited</li> </ul>
	Other Ventures	<ul style="list-style-type: none"> <li>• Sedibus Ventures LLP</li> <li>• Saffire Farms LLP</li> </ul>

Sl. No.	Particulars	Details
4	Name of the Director	<b>Venkata Chakrapani Chaturvedula</b>
	Father's Name	Murali Mohan Sastry Chaturvedula
	Residential Address	1-2-212/6/F, Street No 12, Domlguda, Himayathnagar, Hyderabad (A.P), PIN-500029
	Date of Birth	13-07-1974
	Age	50
	Designation	Independent Director (Non-Executive Director)
	DIN	10813796
	IDDB Registration No. with IICA	IDDB-NR-202410-066046
	Occupation	Dean (Academics), IMT Hyderabad (Service)
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>• Ph.D. in Management, ICAI, Dehradun in the year 2007;</li> <li>• Cost Accountancy, ICWAI in the year 1996;</li> <li>• B. Com (Hons), Osmania University, Hyderabad in the year 1995</li> </ul>
	No. of Years of Experience	More than 19 years
	Date of Appointment	Appointed as Independent Director on December 11, 2024 for 5 (Five) years (from the original appointment)
	Terms of Appointment	Appointed for a term of 5 years upto December 10, 2029; Liable to retire by rotation.
	Directorship in other companies	Nil
	Other Ventures	Nil



Sl. No.	Particulars	Details
5	Name of the Director	<b>Anantha Krishna Nageshwara</b>
	Father's Name	NS Sarma
	Residential Address	D-102, Casa Rouge APTS, Kondapur, Hyderabad, TG, India.
	Date of Birth	24-04-1970
	Age	54
	Designation	Independent Director (Non-Executive Director)
	DIN	08455478
	IDDB Registration No. with IICA	IDDB-DI-202410-065547
	Occupation	Freelance Consultant for Business Management
	Nationality	Indian
	Qualification	<ul style="list-style-type: none"> <li>• MBA, University of Texas, Arlington, USA in the year 2006;</li> <li>• M. Com, Osmania University, Hyderabad in the year 1995;</li> <li>• B. Com, Osmania University, Hyderabad in the year 1991.</li> </ul>
	No. of Years of Experience	More than 20 years
	Date of Appointment	Appointed as Independent Director on December 11, 2024 for 5 (Five) years (from the original appointment)
	Terms of Appointment	Appointed for a term of 5 years upto December 10, 2029; Liable to retire by rotation.
	Directorship in other companies	Nil
	Other Ventures	Nil

#### BRIEF BIOGRAPHIES OF THE DIRECTORS:

**Mr. Pavan Kumar Bang**, aged about 47 years is one of the Promoters, Managing Director and CEO of the Company. He is a distinguished professional with extensive experience in marketing of agri-inputs, large scale commercial farming, development of agricultural infrastructure and common infrastructure project, and policy advisory. A graduate in B.Sc. Agriculture, and post-graduate in Agri Business management, he possesses deep knowledge of business development project management, Supply chain management, organisation development which enables him to build the company to meet the challenging project delivery requirements of market for both current and future needs.

He has been instrumental in facilitating investments and orchestrating successful exits from three agriculture-based companies, showcasing his expertise in creating value-driven businesses. He played a pivotal role at ITC Limited, where he was part of the team that established India's first fruit and vegetable cash-and-carry format outlets. During his tenure at IL&FS, he led several common infrastructure projects in food processing, textiles and other industries, contributing significantly to sectoral development. He also worked in ICICI Bank early in his career. In addition to his corporate achievements, he shares his knowledge as a visiting faculty at MANAGE, teaching Agriculture Product Procurement Management. With extensive experience in strategic planning, project execution, and team leadership, he continues to guide organizations toward sustainable success and innovation.

**Mr. Venkata Ramana Reddy Gaggenapalli**, aged about 57 years is one of the Promoters and Executive Director of the Company. He holds an M. Tech degree in Agricultural Engineering from the Acharya N. G. Ranga Agricultural University, and has over three decades of experience in the related field. His leadership has earned him recognition, including a long-standing role as member of the Indian Society of Agricultural Engineers, AP Chapter, and membership in the Institute Management Committee & Research Advisory Committee at the National Academy of Agricultural Research Management (NAARM).

In 2016, Mr. Reddy joined the company and is instrumental in driving the company's growth through innovative technical design and execution in micro-irrigation and water management projects. His expertise in overall irrigation management, from pipe flow and sprinklers to operation and maintenance, has significantly enhanced the company's project execution capabilities. Mr. Reddy's contributions have solidified Chiraharit's reputation as a leader in sustainable water management solutions.

**Dr. Tejaswini Yarlagadda**, aged about 60 years is one of the Promoters and Non-Executive Director of the Company. She is a Ph.D. in Socio-Economic History from the University of Hyderabad, where she was a UGC Scholar and Gold Medallist. She also holds Master degree in Philosophy. She plays a pivotal role advising the executive team on building the company to be future ready. She supports the company on critical aspects of human resources development, general administration and provides strategic direction.

Beyond her corporate role, Dr. Tejaswini is deeply involved in educational and social initiatives. She serves as the Managing Trustee of the Malaxmi Foundation and Pleach India Foundation, where she oversees educational programs, donations, and fundraising activities. Her commitment to community development and education aligns with Chiraharit's values of social responsibility.

**Mr. Venkata Chakrapani Chaturvedula**, aged about 50 years is a Non-Executive Independent Director of our Company. Mr. Chakrapani Chaturvedula is a distinguished academic leader with over 19 years of experience in finance and management education. Currently serving as Professor and Dean (Academics) at IMT Hyderabad, he has been instrumental in institution building, faculty recruitment, and launching the PGDM program. A Cost and Management Accountant with a Ph.D. in Finance, Dr. Chakrapani specializes in teaching Corporate Finance, Derivatives, and Investments. He has also been a visiting scholar at the Martin J. Whitman School of Management, Syracuse University, USA, where he collaborated on groundbreaking research in finance. His research interests include investments, price manipulations, and event studies, with publications in reputed journals.

Dr. Chakrapani's professional contributions extend to consultancy, corporate training, and program development. He has advised companies like Metrics4 Analytics on event study analytics and conducted management development programs for leading corporates. He has introduced innovative courses, such as Financial Modeling and Business Intelligence using SAS, at premier institutes. Known for his academic rigor, he has delivered consistent teaching excellence and has actively mentored doctoral students and student-led initiatives. His global exposure, strong academic foundation, and practical insights make him a thought leader in the field of finance and management education.

**Mr. Anantha Krishna Nageshwara**, aged about 54 years is a Non-Executive Independent Director of our Company. Mr. Anantha K. Nageshwara is an executive leader with extensive experience in aligning business strategies with advanced IT solutions to achieve corporate objectives. He has a proven track record of successfully deploying complex ERP and CRM systems, establishing SAP Centers of Excellence, and driving cost-effective operations through process reengineering. Known for delivering difficult and ambitious projects on time and within budget, he excels in building high-performance teams and implementing innovative business models to meet organizational goals. He is Graduate in Commerce and Post Graduate in Business Management from University of Texas at Arlington.

With deep expertise in strategic management, accounting, supply chain, manufacturing, and distribution, Mr. Anantha has a comprehensive understanding of ERP (SAP), CRM (SAP C4C), HRIS (Oracle HCM Cloud), and Business Intelligence solutions. He is adept at managing project lifecycles, overseeing PMOs, ensuring SAP compliance, and setting development standards to create stable IT environments. His visionary leadership and commitment to operational excellence make him a key driver of digital transformation and business success.

#### **FAMILY RELATIONSHIPS BETWEEN THE DIRECTORS**

None of the Directors of our Company are related to each other.

#### **ARRANGEMENTS WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS**

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a Senior Management as on the date of this draft prospectus.

#### **COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES WHOSE SHARES HAVE BEEN/WERE SUSPENDED FROM BEING TRADED ON ANY OF THE STOCK EXCHANGE DURING HIS/HER TENORS FOR A PERIOD BEGINNING FROM FIVE (5) YEARS PRIOR TO THE DATE OF THIS DRAFT PROSPECTUS**

None of the Directors are/were directors of any company whose shares were suspended from being trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years or to the extent applicable.

## SERVICE CONTRACTS

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

## DIRECTOR'S ASSOCIATION WITH THE SECURITIES MARKET

None of the Directors of our Company are associated with securities market.

## COMMON DIRECTORSHIPS OF THE DIRECTORS IN LISTED COMPANIES THAT HAVE BEEN/WERE DELISTED FROM STOCK EXCHANGES IN INDIA DURING THEIR TENURE

None of the Directors are/were directors of any entity whose shares were delisted from any Stock Exchange(s). Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

## BORROWING POWERS OF THE BOARD

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The Board of Director vide the special resolution passed at their Extraordinary General Meeting dated December 11, 2024, allowed to borrow and that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 50.00 Crores.

## POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING:

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

## POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS:

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME Platform of BSE Limited.

## COMPENSATION OF OUR MANAGING DIRECTOR AND EXECUTIVE DIRECTOR

The compensation payable to Managing Director and Executive 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 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).

The following compensation has been approved for our Managing Director and Executive Director:

Particulars	Pavan Kumar Bang
Appointment/Change in Designation	Originally appointed as Executive Director on 20-08-2012, designation changed to Managing Director & CEO on 01-04-2024.
Current Designation	Managing Director and Chief Executive Officer (CEO)
Terms of Appointment	For a term of 5 Years w.e.f 1 <sup>st</sup> April, 2024; Not liable to retire by rotation
Remuneration, Perquisites and Benefits	<u>Remuneration</u> Upto ₹ 48,90,000/- (Rupees Forty-Eight Lacs Ninety Thousand only) per annum by way of salary, perquisites, commissions and allowances as may be decided by the Board of Directors or with the recommendation of the Nomination & Remuneration Committee in this behalf.
Remuneration in the event	In the event of inadequacy or absence of profits in any financials years during his tenure,

Particulars	Pavan Kumar Bang
of loss or inadequacy of profits	he will be paid remuneration as mentioned in Schedule V as may be approved by the shareholders of the Company.
Compensation paid in the FY 2023-24	₹ 45.90 Lakhs

Particulars	Venkata Ramana Reddy Gaggenapalli
Appointment/Change in Designation	Originally appointed as Non-Executive Director on 11-05-2016, designation changed to Executive Director on 01-04-2024.
Current Designation	Executive Director
Terms of Appointment	Liable to retire by rotation
Remuneration, Perquisites and Benefits	<u>Remuneration</u> Upto ₹ 30,06,000/- (Rupees Thirty Lacs Six Thousand only) per annum.
Remuneration in the event of loss or inadequacy of profits	In the event of inadequacy or absence of profits in any financial years during his tenure, he will be paid remuneration as mentioned in Schedule V as may be approved by the shareholders of the Company.
Compensation paid in the FY 2023-24	₹ 26.46 Lakhs

### BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

We have no bonus or profit-sharing plan for our Directors.

### PAYMENT OR BENEFIT TO NON-EXECUTIVE DIRECTORS OF OUR COMPANY

The payment of sitting fees to the Non-Executive Director and Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in the following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Tejaswini Yarlagadda	Up to Rs. 10,000/- per meeting	Up to Rs. 5,000/- per meeting
2.	Venkata Chakrapani Chaturvedula	Up to Rs. 10,000/- per meeting	Up to Rs. 5,000/- per meeting
3.	Anantha Krishna Nageshwara	Up to Rs. 10,000/- per meeting	Up to Rs. 5,000/- per meeting

### THE DETAILS OF THE SHAREHOLDING OF OUR DIRECTORS AS ON THE DATE OF THIS DRAFT PROSPECTUS ARE AS FOLLOWS:

Sl. No.	Name of the Director Shareholder	Category/ Status	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Pavan Kumar Bang	Managing Director & CEO	79,99,960	20.00%	14.60%
2	Venkata Ramana Reddy Gaggenapalli	Executive Director	32,00,000	8.00%	5.84%
3	Tejaswini Yarlagadda	Non-Executive Director	2,87,99,990	72.00%	52.55%

### INTEREST OF OUR DIRECTORS

Our Directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to section titled **“Our Promoters and Promoter Group”** beginning on page no. 166 of this draft prospectus.

Further, none of our Directors have any interest in any property acquired by our Company within two (2) years of the date of this draft prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section **“Shareholding of Directors in our Company”** above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as stated above and except as stated in the sections titled **“Financial Information as Restated”** and **“Our Promoters and Promoter Group”** beginning on pages 180 and 166 respectively of this draft prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our directors have been appointed to a place or office of profit in our Company other than mentioned elsewhere in the Draft Prospectus. For further details, please refer to section titled **“Our Management”** on page no. 149 of this draft prospectus.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Companies of our Company.

Our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section **“Our Management”** or the section titled **“Financial Information – Related Party Transactions”** beginning on page no 149 and 217 respectively of this draft prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in the business of our Company.

**CHANGES IN THE BOARD OF DIRECTORS OF OUR COMPANY IN THE LAST THREE (3) YEARS OR TO THE EXTENT APPLICABLE ARE AS FOLLOWS:**

Name	Date	Designation	Reason
Pavan Kumar Bang	01-04-2024	Managing Director & CEO	Re-designation
Venkata Ramana Reddy Gaggenapalli	01-04-2024	Executive Director	Re-designation
Satish Kumar Cheemakurthi	13-03-2023	Director	Resignation
Venkata Chakrapani Chaturvedula	11-12-2024	Independent Director	Appointment
Anantha Krishna Nageshwara	11-12-2024	Independent Director	Appointment

**OTHER CONFIRMATIONS:**

- None of our Directors are on the RBI List of wilful defaulters or fraudulent borrowers as on the date of this draft prospectus.
- None of our Directors of our Company are a fugitive economic offender.
- Further, none of our directors are or were directors of any listed company whose shares.
  - (a) have been or were suspended from trading on any of the stock exchanges during the five years prior to the date of filing this draft prospectus or.
  - (b) delisted from the stock exchanges.
- None of the directors of our Company are debarred from accessing the capital market by SEBI.
- None of the Directors has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence etc.



## CORPORATE GOVERNANCE

*In terms of Regulation 15(2)(b) of the SEBI Listing Regulations, compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations shall not apply, in respect of listed entity which has listed its specified securities on the SME Exchange.*

*Furthermore, in terms of Regulation 15(3) of the SEBI Listing Regulations, notwithstanding Regulation 15(2) of the SEBI Listing Regulations, the provisions of the Companies Act, 2013 shall continue to apply, wherever applicable.*

*As per the abovementioned provisions of the Listing Regulations, we are not required to comply with the requirements of corporate governance relating to the composition of its board of directors, constitution of committees such as audit committee, nomination and remuneration committee, stakeholders' relationship committee, etc., as provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

Our Board has been duly constituted in compliance with the Companies Act. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act, our Board of Directors consists of 5 (Five) Directors (including One Woman Director).

Sl. No.	Name of the Director	DIN	Current Designation
1	Pavan Kumar Bang	03614791	Managing Director & CEO
2	Venkata Ramana Reddy Gaggenapalli	07532133	Executive Director
3	Tejaswini Yarlagadda	00232268	Non-Executive Director
4	Venkata Chakrapani Chaturvedula	10813796	Independent Director
5	Anantha Krishna Nageshwara	08455478	Independent Director

## COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

### ❖ Audit Committee

*As per section 177 of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statements.*

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated January 11, 2025. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Venkata Chakrapani Chaturvedula	Chairperson	Independent Director
Anantha Krishna Nageshwara	Member	Independent Director
Tejaswini Yarlagadda	Member	Non-Executive Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and the rules made thereunder.

**Powers of Audit Committee:** The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
2. To have full access to information contained in the records of the company;
3. To invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee;
4. To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company;
5. Such powers as the Board may deem fit in accordance with the Act, SEBI LODR and any other rules and regulations.

**Role of Audit Committee:** The role of the Audit Committee shall include the following:

- 1) oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) 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, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) approval or any subsequent modification of transactions of our Company with related parties;
- 9) scrutiny of inter-corporate loans and investments;
- 10) valuation of undertakings or assets of our Company, wherever it is necessary;
- 11) evaluation of internal financial controls and risk management systems;
- 12) reviewing, with the management, performance of statutory and internal auditors, 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) discussion with internal auditors of any significant findings and follow up there on;
- 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) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) to review the functioning of the whistle blower mechanism;
- 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- 21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- 22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Further, the audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3) internal audit reports relating to internal control weaknesses; and
- (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (5) statement of deviations:
  - (a) half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) SEBI LODR, as and when applicable.
  - (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 SEBI LODR, as and when applicable.

The Audit Committee shall meet at least four times in a financial year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

#### ❖ **Stakeholders' Relationship Committee**

***As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board***

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated January 11, 2025. The Stakeholders' Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Tejaswini Yarlagaadda	Chairperson	Non-Executive Director
Anantha Krishna Nageshwara	Member	Independent Director
Venkata Ramana Reddy Gaggenapalli	Member	Executive Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

**Role of the Stakeholders Relationship Committee:** Role of the Stakeholders Relationship committee shall include the following:

1. Resolving the grievances of the security holders of our 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 listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by our 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. To carry out 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.

The Stakeholders' Relationship Committee shall meet at least once in a financial year. Quorum shall be in accordance with the provisions of the Companies Act, 2013 and Secretarial Standards issued by the Institute of Company Secretaries of India.

#### ❖ **Nomination and Remuneration Committee**

*As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.*

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated January 11, 2025. The Nomination and Remuneration Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Venkata Chakrapani Chaturvedula	Chairperson	Independent Director
Anantha Krishna Nageshwara	Member	Independent Director
Tejaswini Yarlagadda	Member	Non-Executive Director

Any member of this Committee ceasing to be a director shall also be ceased to be a member of this Committee. The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

**Role of the Nomination and Remuneration Committee:** Role of the Nomination and Remuneration committee shall include the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

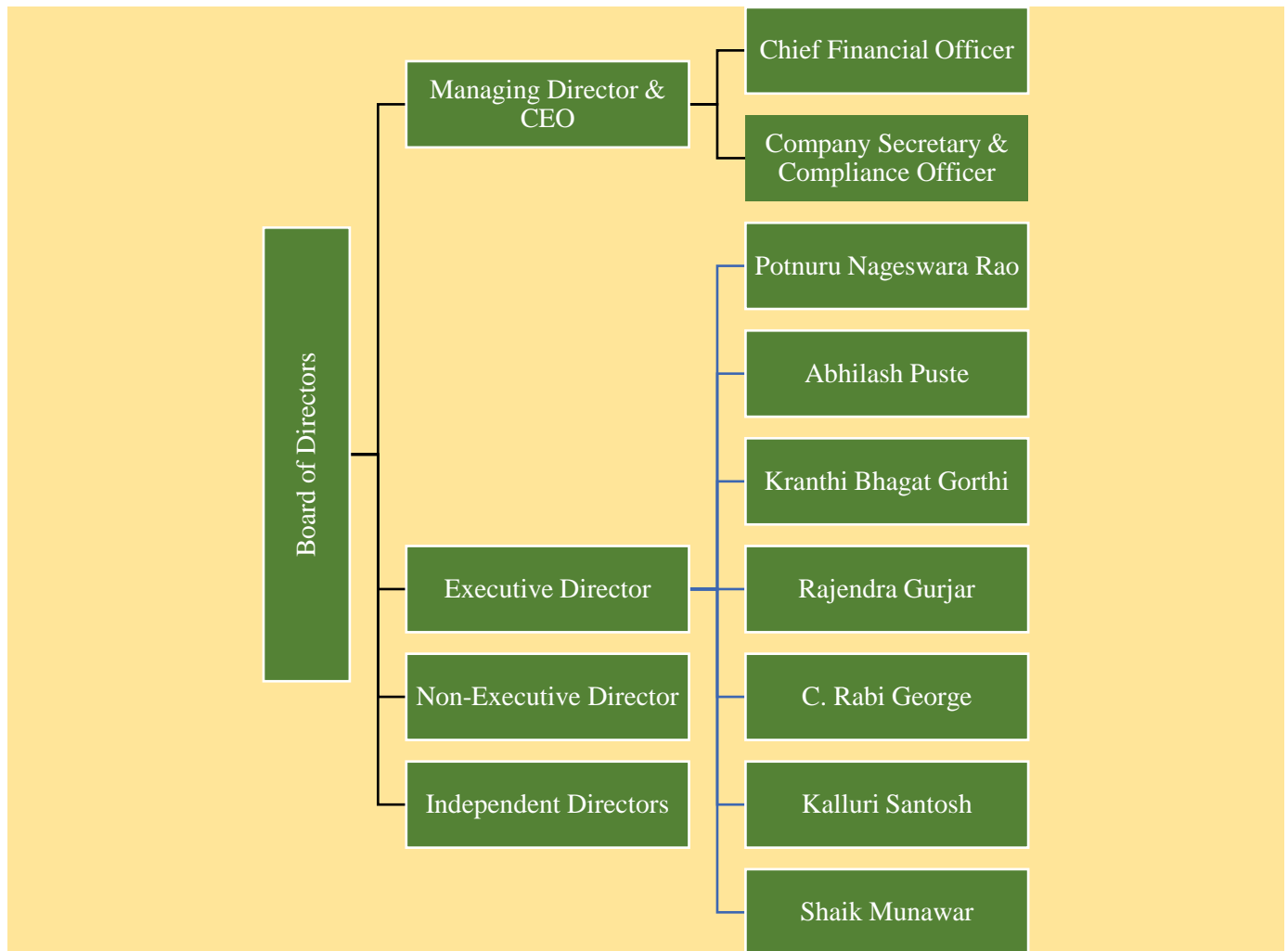
The Nomination and Remuneration Committee shall meet at least once in a financial year and quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

❖ **Corporate Social Responsibility Committee:**

*As per section 135 (1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.*

The Corporate Social Responsibility committee is not applicable to our company till the date of this draft prospectus. We will comply with the requirement as and when the CSR is applicable to us.



**MANAGEMENT ORGANIZATIONAL STRUCTURE:**

**OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

The details of the Key Managerial Personnel and Senior Management as on the date of this draft prospectus are set out below. All the Key Managerial Personnel and Senior Management are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel and Senior Management.

1. **Mr. Pavan Kumar Bang**, aged about 47 years, is the Promoter, Managing Director and CEO of our Company. For details, please refer section titled **“Our Management”** beginning on page no. 149 of this Draft Prospectus.
2. **Mr. Gudla Rama Chandra Rao**, aged about 45 years, is the Chief Financial Officer of our Company. He joined our Company as CFO with effect from 1<sup>st</sup> November, 2024. He holds a M. Com degree from Nagarjuna University, completed in 2018. He has more than 20 years of experience in Accounting and Finance. He has handled preparation of MIS reports, managed periodic cash flow reporting, maintained tax ledgers and handled GST audits. During the Financial Year 2023-24, Mr. Rama Chandra Rao has received a remuneration of ₹ 21.00 Lakhs.
3. **Mr. Dixitula Venkata Kama Dixitulu**, aged about 62 years, is the Company Secretary and Compliance Officer of our Company. He is a Post Graduate in Commerce with Specialization in Banking along with Professional Qualifications like CAIIB and ACS with core competence in Financial Analysis, Credit Administration in Corporate Credit and Risk Management in the Banking domain and Corporate Secretarial Matters. He is a member of the Institute of Company Secretaries of India having membership number ACS 52329 since August, 2017. He joined our Company as a Company Secretary with effect from 11th December, 2024. He has more than 30 years of experience in the field of banking in a reputed nationalised bank in different capacities and more than seven years of experience in secretarial compliances, fostering effective communication with stakeholders, and playing a pivotal role in corporate governance and regulatory compliances of MCA, RBI and SEBI. He has not been paid any remuneration in the last financial year i.e. FY 2023-24 as he has joined our Company in the month of December, 2024 with remuneration of ₹ 1,50,000/- per month.

## OUR SENIOR MANAGEMENT

- Mr. Potnuru Nageswara Rao**, aged about 46 years, is the Senior Manager for Finance and Accounts of our Company. He holds a Masters in Commerce from Andhra University, completed in May, 2022. He has joined our Company in April, 2017. He has around 20 years of experience in the fields of Finance and Accounts. As the Senior Manager for Finance and Accounts in our company, he oversees all day-to-day accounting operations, including accounts payable, statutory compliance, financial statement preparation, MIS reporting, and budgetary controls. During the Financial Year 2023-24, Mr. Nageswara Rao has received a remuneration of ₹ 13.02 Lakhs.
- Mr. Abhilash Puste**, aged about 35 years, is the Senior Engineer (Execution) of our Company. He is a graduate in Electrical and Electronics Engineering from JNTU, Hyderabad, completed in May, 2011. With approximately 12.5 years of experience in Project Execution, joined our company in July, 2019 as the Senior Engineer (Execution). In this role, he supervises site daily activities, coordinating with contractors and suppliers, reviewing technical designs, monitoring progress, conducting quality checks, ensuring compliance with safety and regulatory standards, and maintaining project documentation. During the Financial Year 2023-24, Mr. Puste has received a remuneration of ₹ 10.08 Lakhs.
- Mr. Kranthi Bhagat Gorthi**, aged about 42 years, is the Senior Human Resource Manager of our Company. He holds an MBA from IIPM, Bangalore, awarded in 2006. He joined our company in January, 2023 as a Senior Human Resource Manager and brings over 14 years of experience in Human Resource Management and his focus is on optimizing the HR lifecycle, from hiring to exit, enabling organizational scalability and efficiency. During the Financial Year 2023-24, Mr. Gorthi has received a remuneration of ₹ 10.00 Lakhs.
- Mr. Rajendra Gurjar**, aged about 33 years, is the Project Manager (Engineering) of our Company. He holds a Diploma in Civil Engineering from RGTU, Bhopal, awarded in 2018. Mr. Rajendra joined our company in March 2021, as the Project Manager (Engineering) and brings over 10.5 years of experience in Project Engineering. During the Financial Year 2023-24, Mr. Gurjar has received a remuneration of ₹ 6.82 Lakhs.
- Mr. C. Rabi George**, aged about 41 years, is the Manager of Stores of our Company. He holds a Bachelor degree in B. Com from Osmania University, awarded in 2005. Mr. Rabi George joined our company in April, 2023 as the Manager of Stores and brings over 17.5 years of experience in Store Management. During the Financial Year 2023-24, Mr. George has received a remuneration of ₹ 8.48 Lakhs.
- Mr. Kalluri Santosh**, aged about 34 years, is the Purchase Manager of our Company. He holds a bachelor's degree in science from Andhra University, awarded in March 2010. Mr. joined our company in March, 2021 as the Purchase Manager and brings over 12 years of experience in Purchase and Logistics Management. During the Financial Year 2023-24, Mr. Santosh has received a remuneration of ₹ 6.48 Lakhs.
- Mr. Shaik Munawar**, aged about 32 years, is the Senior Designer of our Company. He holds a Diploma in Civil Draughtsmanship from Govt. Industrial Training Institute, Andhra Pradesh, awarded in October 2012. Mr. Munawar joined our company in January, 2017 in the Design department and brings over 10.5 years of experience in Designing. During the Financial Year 2023-24, Mr. Munawar has received a remuneration of ₹ 6.76 Lakhs.

## STATUS OF KEY MANAGEMENT PERSONNEL OR SENIOR MANAGEMENT IN OUR COMPANY

All our key managerial personnel or Senior Management are permanent employees of our Company.

## SHAREHOLDING OF KEY MANAGEMENT PERSONNEL OR SENIOR MANAGEMENT IN OUR COMPANY

The details of the shareholding of our Key Management Personnel or Senior Management as on the date of this draft prospectus are as follows: -

Sl. No.	Name of the Director Shareholder	Category/ Status	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Pavan Kumar Bang	Managing Director & CEO	79,99,940	20.00%	14.60%
2	Venkata Ramana Reddy Gagganapalli	Executive Director	32,00,000	8.00%	5.84%

#### **BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT**

Our Company does not have a performance linked bonus or a profit-sharing plan for the Key Management Personnel or Senior Management. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel or Senior Management of our Company.

#### **INTERESTS OF KEY MANAGEMENT PERSONNEL OR SENIOR MANAGEMENT**

Except as mentioned above in this draft prospectus, the Key Management Personnel or Senior Management do not have any interest in our Company, other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

#### **PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except as disclosed in this draft 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.

Except as stated under section titled "*Financial Information as Restated*" beginning on page no 180 of this draft prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

#### **RELATIONSHIP AMONGST THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT OF OUR COMPANY**

None of our Key Managerial Personnel or Senior Management Personnel are related with each other.

#### **RELATIONSHIP BETWEEN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT**

There are no relation between our Directors and Key Managerial Personnel or Senior Management Personnel are related with each other.

#### **ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/CUSTOMERS/ SUPPLIERS**

None of the above Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

#### **DETAILS OF SERVICE CONTRACTS OF THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel or Senior Management have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **EMPLOYEE STOCK OPTION OR EMPLOYEE STOCK PURCHASE**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this draft prospectus.

#### **LOANS AVAILED BY DIRECTORS / KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT OF OUR COMPANY**

None of the Directors or Key Managerial Personnels or Senior Management have availed loan from our Company which is outstanding as on the date of this draft prospectus.

### CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT DURING THE LAST THREE (3) YEARS

The changes in the Key Managerial Personnel or Senior Management of our Company in the last three (3) years are as follows:

Name	Date	Designation	Reason
Pavan Kumar Bang	01-04-2024	Managing Director & CEO	Re-designation
Venkata Ramana Reddy Gaggenapalli	01-04-2024	Executive Director	Re-designation
Dixitula Venkata Kama Dixitulu	11-12-2024	Company Secretary	Appointment
Gudla Rama Chandra Rao	01-11-2024	Chief Financial Officer (CFO)	Appointment
C. Rabi George	04-04-2023	Manager of Stores	Appointment
Kranthi Bhagat Gorthi	17-01-2023	Senior HR	Appointment


## OUR PROMOTERS AND PROMOTER GROUP

### 1. Our Promoters:


The Promoters of our Company are (i) **Mr. Pavan Kumar Bang** (ii) **Mr. Venkata Ramana Reddy Gaggenapalli** and (iii) **Mrs. Tejaswini Yarlagadda**.


As on the date of this Draft Prospectus, our Promoters jointly hold 3,99,99,950 Equity Shares which in aggregate, almost constitutes 100.00% of the pre issued paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see ***"Capital Structure"***, on page 58 of this Draft Prospectus.

#### (i) Details of our Promoters are as follows:

	<p><b>Pavan Kumar Bang</b>, aged 47 years, is the Promoter, Managing Director and CEO of our Company. For further personal details, please also refer to section titled <b><i>"Our Management"</i></b> beginning on page 149 of this Draft Prospectus.</p>
<b>Name of Promoter</b>	Pavan Kumar Bang
<b>Father's Name</b>	Late Satyanarayana Bang
<b>Date of Birth</b>	23-12-1977
<b>Age</b>	47 years
<b>Qualification</b>	<ul style="list-style-type: none"> <li>• Post Graduate Diploma in Agri-Business Management in 2002, from MANAGE, Hyderabad.</li> <li>• Graduate in Agricultural Sciences in 2000, from ANGRAU, Hyderabad.</li> </ul>
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	Flat No 801, Block F, Casa Rouge, jubilee Garden, Kondapur, Serilingampally, K.V. Rangareddy District, Telangana - 500084.
<b>DIN</b>	03614791
<b>PAN</b>	AJIPB7299R
<b>Directorship in other companies</b>	<ul style="list-style-type: none"> <li>• Vasavi Building Materials Private Limited</li> <li>• Malaxmi Polymers Private Limited</li> <li>• Malaxmi Trade Center Private Limited</li> <li>• Malaxmi Educational Services Private Limited</li> </ul>
<b>Other Ventures</b>	Nil



	<p><b>Venkata Ramana Reddy Gaggenapalli</b>, aged 57 years, is the Promoter and Executive Director of the company. For further personal details, please also refer to section titled <b><i>“Our Management”</i></b> beginning on page 149 of this Draft Prospectus.</p>
<b>Name of Promoter</b>	Venkata Ramana Reddy Gaggenapalli
<b>Father’s Name</b>	Late Matta Reddy Gaggenapalli
<b>Date of Birth</b>	16-10-1967
<b>Age</b>	57 years
<b>Qualification</b>	<ul style="list-style-type: none"> <li>• M.Tech in Agricultural Engineering, in 2009, From ANGRAU Hyderabad</li> <li>• B.Tech in Agricultural Engineering in 1991, ANGRAU, Hyderabad.</li> </ul>
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	H.No: 10-18/GGV 18, Garden Groove Villas, Ramky Discovery City, Maheswaram, Sreenagar, Mankhal, KV Rangareddy, Telangana – 501359.
<b>DIN</b>	07532133
<b>PAN</b>	AEKPG2623M
<b>Directorship in other companies</b>	Vasavi Building Materials Private Limited
<b>Other Ventures</b>	Nil

	<p>Tejaswini Yarlagadda, aged 60 years, is the Promoter and Non-Executive Director of the company. For further personal details, please also refer to section titled <b><i>“Our Management”</i></b> beginning on page 149 of this Draft Prospectus.</p>
<b>Name of Promoter</b>	Tejaswini Yarlagadda

<b>Father's Name</b>	Late Bhadravatha Paladugu
<b>Date of Birth</b>	25-08-1964
<b>Age</b>	60 years
<b>Qualification</b>	<ul style="list-style-type: none"> <li>• Doctor of Philosophy (Ph.D) in Socio Economic History School of Social Sciences in 1996 from University of Hyderabad</li> <li>• Masters of Philosophy (M.Phil) in 1990, From University of Hyderabad.</li> <li>• Masters of Arts (History) in 1988 from University of Hyderabad</li> </ul>
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	Villa No: A-14, Lake Community, Emaar Boulder Hills, Opp Microsoft, Gachibowli, KV Rangareddy District, Telangana - 500032
<b>DIN</b>	00232268
<b>PAN</b>	AAIPY7324B
<b>Directorship in other companies</b>	<ul style="list-style-type: none"> <li>• Hariteja Avenues Private Limited</li> <li>• Malaxmi Group Private Limited</li> <li>• Malaxmi Projects Private Limited</li> <li>• Mandaram Avenues Private Limited</li> <li>• Plexal Private Limited</li> <li>• Yarlagadda Estates Private Limited</li> <li>• Malaxmi Infra Ventures (India) Private Limited</li> <li>• Cultural Center of Amaravati (Sec.8 Company)</li> <li>• Acacia Projects Private Limited</li> <li>• Ramalakshmi Estates Private Limited</li> <li>• Sedibus Foundation (Section 8 Company)</li> <li>• Acacia Hotels &amp; Resorts Private Limited</li> <li>• Malaxmi Trade Center Private Limited</li> <li>• Xemx Projects Private Limited</li> <li>• Serenity Homes Private Limited</li> <li>• Xemx Energy Private Limited</li> <li>• Dharmavana Nature Ark Association (Section 8 Company)</li> <li>• Malaxmi Developers Private Limited</li> <li>• Onetron Energy Private Limited</li> </ul>
<b>Other Ventures</b>	<ul style="list-style-type: none"> <li>• Sedibus Ventures LLP</li> <li>• Saffire Farms LLP</li> </ul>

*Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport number, Aadhaar card number and driving license number of our Promoters to BSE separately at the time of filing the Draft Prospectus.*

## CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

## EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter titled ***“Our Management”*** beginning on page 149 of this Draft Prospectus.

## INTERESTS OF OUR PROMOTERS

### ***Interest in the Promotions of our Company:***

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their respective equity shareholding in our Company and any dividend distribution that may be made by our Company with respect to their equity shares in the future. For details pertaining to our Promoter's shareholding, please refer to chapter titled ***“Capital Structure”*** beginning on page 58 of this Draft Prospectus.

***Interest in the property of our Company:***

Except as given in the chapter titled ***“Our Business”*** beginning on page 106 of this Draft Prospectus, our Promoters or Group Company do not have any interest in any property acquired by our Company in the preceding three (3) years of the date of this Draft Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

***Interest as Member of our Company:***

As on the date of this Draft Prospectus, our Promoter and Promoter Group collectively hold 4,00,00,000 equity shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits as provided in the section titled ***“Our Management”*** in that Remuneration details of our Directors on page 149 of this Draft Prospectus, our Promoter does not hold any other interest in our Company.

***Interest 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.

***Interest of Promoters in Sales and Purchases:***

There are no sales/purchases between our Company and our Group Companies other than as stated in the section titled ***“Financial Information - Related Party Transactions”*** beginning on page no. 217 of this Draft Prospectus.

***Other Interests in our Company:***

For transactions in respect of loans and other monetary transactions entered in past please refer ***“Financial Information - Related Party Transactions”*** beginning on page no. 217 of this Draft Prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company's Bankers. For the details of Personal Guarantee given by Promoters towards Financial facilities availed by our Company, please refer to ***“Financial Indebtedness”*** and ***“Financial Statements as Restated”*** on page 221 and 180 respectively of this Draft Prospectus.

Except as disclosed in this Draft Prospectus, our Promoters have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

***Confirmations:***

Our Company hereby confirms that:

- None of our Promoters or Directors have been declared as a wilful defaulter or fraudulent borrower or is a fugitive economic offender.
- Neither our Company nor our Promoters, Promoter Group and Directors our Company are debarred from accessing the Capital Market by SEBI
- None of the promoters or directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

**PAYMENT OR BENEFITS TO THE PROMOTERS IN THE LAST TWO (2) YEARS**

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to section titled ***“Financial Information - Related Party Transactions”*** beginning on page no. 217 of this Draft Prospectus.

**LITIGATION DETAILS PERTAINING TO OUR PROMOTERS**

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled ***“Outstanding Litigations and Material Developments”*** beginning on page no. 238 of this Draft Prospectus.

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

Except as mentioned below, none of our Promoters have disassociated themselves from any of the entities in the last three years.

Name of Promoter	Name of the Entity	Date of Disassociation	Reason
Pavan Kumar Bang	Mentors Marketing Private Limited	30-09-2024	Resignation u/s 168
	SH Food Processing Private Limited	21-03-2023	Resignation u/s 168
	Malaxmi Infra Ventures (India) Private Limited	15-07-2024	Resignation u/s 168
Tejaswini Yarlagaadda	Venkatayapalem Farms and Real Estates Private Limited	13-01-2024	Resignation u/s 168

### MATERIAL GUARANTEES PROVIDED BY OUR PROMOTERS

Except as stated in the chapter titled “*Financial Indebtedness*” beginning on page 221 of this Draft Prospectus, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

### EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter titled “*Our Management*” beginning on page 149 of this Draft Prospectus.

### COMMON PURSUITS OF PROMOTERS AND PROMOTER GROUP COMPANIES

As on the date of this Draft Prospectus, none of our Promoters and Promoter Group Companies have any common pursuits.

## 1. Our Promoter Groups:

In compliance with SEBI Guideline, “**Promoter Group**” pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

### A) Promoter

As per Regulation 2(1)(pp)(i) of the SEBI ICDR Regulations, the following are the Promoters:

- ☐ Pavan Kumar Bang
- ☐ Venkata Ramana Reddy Gaggenapalli
- ☐ Tejaswini Yarlagadda

### B) Immediate Relatives of the Promoter

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Relationship	Name of the Promoters		
	Pavan Kumar Bang	Venkata Ramana Reddy Gaggenapalli	Tejaswini Yarlagadda
<b>Father</b>	Late Satyanarayana Bang	Late Matta Reddy Gaggenapalli	Late Bhadravatha Paladugu
<b>Mother</b>	Late Basanthi Bang	Rangamma Gaggenapalli	Late Paladugu Jhansi Lakshmi Bai
<b>Brother</b>	Sheetal Kumar Bang	NA	Dhananjaya Rao Paladugu
<b>Sister</b>	1. Shakuntala Tapadia 2. Vijaya Malpani 3. Manju Shree Soni 4. Annapurna Arunkumar Totla 5. B Padmavathi 6. Saritha Bang	Kesidi Nirmala	1. Late Paladugu Manaswini 2. Suhasini Penugonda
<b>Spouse</b>	Nupur Pavan Bang	Gaggenapalli Venkata Jyothi	Harish Chandra Prasad Yarlagadda
<b>Son</b>	NA	Gaggenapalli Sai Kiran	Yarlagadda Sriram
<b>Daughter</b>	Haasini Pavan Bang	Gaggenapally Sahithi	1. Yarlagadda Lakshmi Sripriya 2. Yarlagadda Aditi Rajyasri
<b>Spouse's Father</b>	Basant Kumar Hetamsaria	Burri Linga Reddy	Late Yarlagadda Sreeramulu
<b>Spouse's Mother</b>	Manju Hetamsaria	Burri Lalithamma	Late Yarlagadda Sreeramulu
<b>Spouse's Brother</b>	Nitin Basant	Burri Venkat Narasimha Reddy	NA
<b>Spouse's Sister</b>	NA	Nathala Jagathi	Ravula Sashi

\*NA means Not Applicable

### C) Entities forming part of Promoter Group

As per Regulation 2(1)(pp)(iii) of the SEBI ICDR Regulations, in case Promoter is a Body Corporate

Nature of Relationship	Entity
Subsidiary or holding company of Promoter Company.	NA
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	NA



As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, in case Promoter is an Individual

Nature of Relationship	Entity
Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	<p><b><u>Entities controlled by Promoters</u></b></p> <ul style="list-style-type: none"> <li>• Hariteja Avenues Private Limited</li> <li>• Malaxmi Educational Services Private Limited</li> <li>• Malaxmi Group Private Limited</li> <li>• Malaxmi Projects Private Limited</li> <li>• Malaxmi Ventures Private Limited</li> <li>• Mandaram Avenues Private Limited</li> <li>• Nunna Farms and Real Estates Private Limited</li> <li>• Raicherla Estates Private Limited</li> <li>• Sripriya Projects Private Limited</li> <li>• Yarlagadda Mahalakshamma Estates Private Limited</li> <li>• Plexal Private Limited</li> <li>• Yarlagadda Estates Private Limited</li> <li>• Malaxmi Infra Ventures (India) Private Limited</li> <li>• India Extreme Adventure Activities Private Limited</li> <li>• Cultural Center of Amaravati (Section 8 Co.)</li> <li>• Acacia Projects Private Limited</li> <li>• Pinapaka Farms &amp; Real Estates Private Limited</li> <li>• Pedamaddali Farms &amp; Real Estates Private Limited</li> <li>• Mogalrajpuram Farms &amp; Real Estates Private Limited</li> <li>• Annapuran Mega Food Park Private Limited</li> <li>• Malaxmi Mega Food Park Private Limited</li> <li>• Sedibus Foundation (Section 8 Co.)</li> <li>• XEMX Projects Private Limited</li> <li>• XEMX Energy Private Limited</li> <li>• Onetron Energy Private Limited</li> <li>• Dharmavana Nature Ark Association (Section 8 Co.)</li> <li>• Saffire Farms LLP</li> <li>• Sedibus Ventures LLP</li> </ul> <p><b><u>Entities controlled by Immediate Relatives</u></b></p> <ul style="list-style-type: none"> <li>• Malaxmi Energy Ventures (India) Private Limited</li> <li>• Malaxmi Trade Center Private Limited</li> </ul>
Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	<ul style="list-style-type: none"> <li>• Pedamaddali Farms &amp; Real Estates Private Limited (<i>holding 100% shares of Ramalakshmi Estates Private Limited</i>)</li> <li>• Malaxmi Infra Ventures (India) Private Limited (<i>holding 74% shares of Acacia Hotels and Resorts Private Limited</i>)</li> <li>• Malaxmi Infra Ventures (India) Private Limited (<i>holding 33.33% shares of Malaxmi Developers Private Limited</i>)</li> <li>• Malaxmi Infra Ventures (India) Private Limited (<i>holding 99.99% shares of Serenity Homes Private Limited</i>)</li> <li>• Malaxmi Infra Ventures (India) Private Limited (<i>holding 26% shares of SH Food Processing Private Limited</i>)</li> </ul>
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than twenty percent of total capital.	<p><b><u>Entities controlled by Promoters</u></b></p> <ul style="list-style-type: none"> <li>• Malaxmi Educational Society, Vijayawada</li> <li>• Pleach India Foundation</li> <li>• Hyderabad Educational Academy</li> <li>• Malaxmi Foundation</li> </ul> <p><b><u>Entities controlled by Immediate Relatives</u></b></p> <ul style="list-style-type: none"> <li>• Malaxmi Wind Power (Proprietorship)</li> </ul>

***D) As per Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations, all persons whose shareholding under the heading “shareholding of the promoter group”:***

- Nupur Pavan Bang
- Rajat Arun Totla
- Meenu Bang
- Sheetal Kumar Bang
- Ravula Sashi

## GROUP COMPANIES OF OUR COMPANY

In compliance with SEBI Guideline, “Group Companies” pursuant to the regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018, shall include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Based on the above, the below mentioned are considered as Group Companies of our Company (Companies which are no longer associated with our company have not been disclosed as Group Companies).

### 1. Malaxmi Infra Ventures (India) Private Limited

Name of the Entity	Malaxmi Infra Ventures (India) Private Limited		
Category	Private Company		
Name of Directors	1. Tejaswini Yarlagadda 2. Sandeep Mandava		
Brief Description and nature of the activity or Business	Civil Construction and infrastructure related work.		
Date of Incorporation	23-01-2007		
PAN	AAECM9333K		
Registered Office Address	Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Hyderabad, Telangana, India, 500104.		
Audited Financial Information on Standalone Basis (₹ in Lakhs)			
Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Share Capital	1491.02	1491.02	1130.19
Reserves and Surplus	7763.20	8004.93	8652.77
Net Worth	9254.22	9495.95	9782.96
Total Income	983.17	359.51	548.09
Profit/(Loss) after Tax	(241.73)	(2258.90)	421.66
Earnings Per Share (face value of ₹ 10/- each)	(1.62)	(15.15)	3.73
Net Asset Value Per Share (₹)	62.07	63.69	86.56

### Shareholding Pattern of Malaxmi Infra Ventures (India) Private Limited as on 31-03-2024

<b>Name of the Shareholders</b>	<b>No. of Shares</b>	<b>% of Shareholding</b>
Tejaswini Yarlagadda	1,43,95,076	96.55 %
Ravula Sashi	15,629	0.11 %
Garnet Infrastructure and Power Ventures Pvt Ltd	4,99,499	3.34 %
<b>Total</b>	<b>1,49,10,204</b>	<b>100.00%</b>

### 2. Malaxmi Polymers Private Limited (Subsidiary Company)

<b>Name of the Entity</b>	Malaxmi Polymers Private Limited
<b>Category</b>	Private Company
<b>Name of Directors</b>	1.Pavan Kumar Bang 2.Lakshmi Kantha Rao Vissamsetty
<b>Brief Description and nature of the activity or Business</b>	Manufacturing of HDPE Pipes
<b>Date of Incorporation</b>	17-06-2020
<b>PAN</b>	AANCM4963C

Registered Office Address	Malaxmi Courtyard, Survey No 157, Khajaguda Village Chitrapuri Colony Post, Hyderabad, Hyderabad, Telangana, India, 500104.		
Audited Financial Information on Standalone Basis (₹ in Lakhs)			
Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Share Capital	185	150.00	150.00
Reserves and Surplus	(117.06)	(68.98)	5.31
Net Worth	67.94	81.02	155.31
Total Income	878.42	513.06	317.23
Profit/(Loss) after Tax	(48.08)	(74.29)	3.79
Earnings Per Share (face value of ₹ 10/- each)	(2.60)	(4.95)	0.25
Net Asset Value Per Share (₹)	3.67	5.40	10.35

*Shareholding Pattern of Malaxmi Polymers Private Limited as on 31.03.2024*

Name of the Shareholders	No. of Shares	% of Shareholding
Chiraharit Private Limited	13,20,000	71.35%
Dr. Tejaswini Yarlagaadda	80,000	4.32%
Vissamsetty Lakshmi Kantha Rao	3,00,000	16.22%
Mr. Gaggenapalli Venkata Ramana Reddy	1,50,000	8.11%
<b>Total</b>	<b>18,50,000</b>	<b>100.00%</b>

**3. Vasavi Building Materials Private Limited (Subsidiary Company)**

Name of the Entity	Vasavi Building Materials Private Limited		
Category	Private Company		
Name of Directors	1.Pavan Kumar Bang 2.Venkata Ramana Reddy Gaggenapalli		
Brief Description and nature of the activity or Business	Trading of HDPE Pipes, HDPE Fittings, Motors, Valves and other Civil Construction Related materials.		
Date of Incorporation	12-06-1995		
PAN	AABCV1515H		
Registered Office Address	FLAT NO.205, Mahavir Complex Ranigunj, Hyderabad, Telangana, India, 500003		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Share Capital	4.21	4.21	4.21
Reserves and Surplus	52.33	42.99	36.79
Net Worth	56.54	47.20	41.00
Total Income	286.00	276.46	322.65
Profit/(Loss) after Tax	9.34	6.20	2.15
Earnings Per Share (face value of ₹ 100/- each)	222	147	51
Net Asset Value Per Share (₹)	1342.94	1121.08	973.87

*Shareholding Pattern of Vasavi Building Materials Private Limited as on 31.03.2024*

Name of the Shareholders	No. of Shares	% of Shareholding
Chiraharit Limited	4209	99.98%
Tejaswini Yarlagaadda	1	0.02%
<b>Total</b>	<b>4,210</b>	<b>100.00%</b>

#### 4. XEMX Projects Private Limited

Name of the Entity	XEMX Projects Private Limited		
Category	Private Company		
Name of Directors	1. Tejaswini Yarlagadda 2. Himadeep Nallavadla		
Brief Description and nature of the activity or Business	Manufacturing, generating, supplying, transmitting, distributing and dealing in electricity and all forms of energy through conventional and non-conventional method.		
Date of Incorporation	10-12-2020		
PAN	AAACX3513G		
Registered Office Address	301, 3rd Floor, Niharika Jubilee One Road No.1, Jubilee Hills, Hyderabad, Hyderabad, Telangana, India, 500033		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Share Capital	212.00	52.00	1.00
Reserves and Surplus	(1.17)	(0.67)	(0.42)
Net Worth	210.83	51.33	0.58
Total Income	0.00	0.00	0.00
Profit/(Loss) after Tax	(0.50)	(0.25)	(0.12)
Earnings Per Share (face value of ₹ 10/- each)	(0.02)	(0.05)	(1.23)
Net Asset Value Per Share (₹)	9.95	9.87	5.80

#### Shareholding Pattern of XEMX Projects Private Limited as on 31.03.2024

<b>Name of the Shareholders</b>	<b>No. of Shares</b>	<b>% of Shareholding</b>
Himadeep Nallavadla	10,35,000	<b>48.82%</b>
Tejaswini Yarlagadda	10,35,000	<b>48.82%</b>
Harish Kethireddy	50,000	<b>2.36</b>
<b>Total</b>	<b>21,20,000</b>	<b>100%</b>

#### LITIGATION

For details, see “*Outstanding Litigation and Material Developments* – Litigations involving Group Companies” beginning on page 238 of this Draft Prospectus.

#### NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

- Our Group Companies do not have any interest in the promotion of our Company.
- Our Group Companies are not interested in the properties acquired by our company in the three (3) years preceding the filing of this Draft Prospectus or proposed to be acquired by our Company.
- Our Group Companies are not interested in any transactions for acquisition of plant, construction of building or supply of machinery.

#### RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Other than the transactions disclosed in the chapter titled “*Restated Financial Statements - Related Party Transactions*” beginning on page 217 of this Draft Prospectus, there are no other business transactions between our Company and Group Companies.



## **BUSINESS INTERESTS OR OTHER INTERESTS**

Except as disclosed in the chapter “*Restated Financial Statements*” beginning on page 180 of Draft Prospectus, our Group Company do not have or propose to have any business interest in our Company.

## **OTHER CONFIRMATIONS**

- No equity shares of our Group Company are listed on any stock exchange.
- Except as disclosed, our Group Company has not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Prospectus. For further details, please see the chapter “*Other Regulatory and Statutory Disclosures*” beginning on page 247 of this Draft Prospectus.
- None of the securities of our Group Company has been refused listing by any stock exchange in India or abroad during last ten years, nor has our Group Company failed to meet the listing requirements of any stock exchange in India or abroad.

**RELATED PARTY TRANSACTIONS**

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this Draft Prospectus i.e., for the Six months ended September 30, 2024 and the financial year ended on 31st March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 please refer to Section titled, ***“Financial Information - Related Party Transactions”***, beginning on page 217 of this Draft Prospectus.

**DIVIDEND POLICY**

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not paid / declared any dividend in last three years from date of this Draft Prospectus.

## SECTION IX: FINANCIAL INFORMATION

### FINANCIAL STATEMENT AS RESTATED

#### Independent Auditor's Examination Report on Restated Consolidated Financial Statements

To  
The Board of Directors,  
Chiraharit Limited,  
(Formerly known as "Chiraharit Private Limited")  
Malaxmi Courtyard, Survey No.157  
Chitrapuri Colony Post,  
Khajaguda, Telangana 500104

**Independent Auditors' Report on the Restated Balance Sheet as at 30<sup>th</sup> September 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 and the Restated Statement of Profit and Loss, Restated Statement of Changes in Equity, the Restated Statement of Cash Flows for six month period ended on 30<sup>th</sup> September 2024, and for the Year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 along with Restated Statement of Significant Accounting Policies and other explanatory information of Chiraharit Limited and in the periods applicable, its subsidiaries (hereinafter referred to as "the Consolidated Restated Financial Statements"),**

1. We have examined the accompanying Consolidated Restated Financial Statements of **Chiraharit Limited** (formerly known as **Chiraharit Private Limited**) (hereinafter referred to as "the Company") and its subsidiaries (together referred to as "the Group") which comprise the Restated Consolidated Balance Sheet as at 30<sup>th</sup> September 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the six month period ended on 30<sup>th</sup> September 2024 and for the year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 and a Statement of Significant Accounting Policies and other explanatory notes (hereinafter referred to as "the Consolidated Restated Financial Statements"), as approved by the Board of Directors of the company at their meeting held on **25<sup>th</sup> Mar 2025** for the purpose of inclusion in the Draft Prospectus/ Prospectus (together referred to as "Offer Documents") in connection with the proposed Initial Public Offering (IPO) on SME Platform of BSE Limited ("BSE") of the Company, prepared in conformity with the requirements of:
  - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI (ICDR) Regulations, 2018");
  - b) The sub clauses of (i) and (iii) of clause b of sub section (1) of section 26 of the Companies Act, 2013, as amended (the "Act"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

#### **Management's Responsibility for the Consolidated Restated Financial Statements**

2. The Company's Board of Directors is responsible for the preparation of Restated Financial Statements for the purpose of inclusion in the Offer Documents to be filed with Securities Exchange Board of India ("SEBI"), BSE Limited and Registrar of Companies (Hyderabad) in connection with the proposed SME IPO. The Restated Financial Statements have been prepared by the management in accordance with applicable accounting principles and relevant regulatory requirements. The Board of Directors of the companies are responsible for designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Financial Statements. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, SEBI (ICDR) Regulations, 2018 and the Guidance note.

#### **Auditor's Responsibilities**

3. 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 04<sup>TH</sup> December 2024 in connection with the proposed IPO of equity shares of the Company;

- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and,
- d) The requirements of Section 26 of the Act and the SEBI (ICDR) Regulations, 2018.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI (ICDR) Regulations, 2018 and the Guidance Note in connection with the IPO.

4. These Restated Financial Statements have been compiled by the Management from:

- a) Audited Special Purpose Interim Consolidated Financial statements of the Group as at and for the six-month period ended on 30<sup>th</sup> September 2024 prepared in accordance with the generally accepted accounting principles in India at the relevant time and which have been approved by the Board of Directors at their meeting held on 11<sup>th</sup> January 2025
- b) Audited Consolidated Financial statements of the Group for the financial year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 which are prepared in accordance with the generally accepted accounting principles in India at the relevant time and which have been approved by the Board of Directors on 27-08-2024, 08-09-2023, 30-08-2022 respectively; and
- c) Audited Standalone Financial statements of the Group for the financial year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 which are prepared in accordance with the generally accepted accounting principles in India at the relevant time and which have been approved by the Board of Directors on 27-08-2024, 09-08-2023, 27-08-2022 respectively

5. For the purpose of our examination, we have relied on –

- a) Auditor's report issued by us dated 11<sup>th</sup> January 2025 on the Special Purpose Interim Consolidated Financial Statements of the Group as at and for the six-month period ended September 30, 2024, and the Audited Consolidated financial statements of the Group for the year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 as mentioned in Para 4 above.
- b) The Audited Consolidated Financial Statements of the Group for the year 31<sup>st</sup> March 2024 and the Special Purpose Interim Consolidated Financial Statements of the Group as at and for the six-month period ended 30<sup>th</sup> September 2024 audited by us included as Other Matter paragraph as follows:

“We did not audit the financial statements of the subsidiary (**Vasavi Building Materials Private Limited**), whose financial statements reflected total assets (before consolidation adjustments) of Rs 131.57 lakhs as at 30<sup>th</sup> September 2024, total revenue (before consolidation adjustments) of Rs 179.57 lakhs, total net profit before taxes 9.95 lakhs (before consolidation adjustments) and net cash flows ((before consolidation adjustments) of Rs (2.71) lakhs for the period ended on the date, as considered in the financial statements. These financial statements are audited by another auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary and our report in terms of sub section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports provided by other auditors.”

6. Based on the above and according to the information and explanations given to us and also on the reliance placed on audit report of subsidiary auditor - **Sowmya Laksmi & Co** for the period as stated above, we report that:

- a) The Restated Financial Statements have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively for the year ended 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, to reflect the same accounting treatment as per the accounting policies and grouping /classifications followed in the Audited Special Purpose Interim Consolidated Financial Statements of the Group as at and for the six-month period ended on 30<sup>th</sup> September 2024.
- b) There are no qualifications in the auditor's report on the (i) Audited Special Purpose Consolidated Financial Statements of the Group as at and for the six months period ended 30<sup>th</sup> September 2024 (ii) Audited Consolidated financial statements of the Group for the year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022,



which require any adjustments to the Restated Financial Statements. There are certain Other Matters paragraph (refer paragraph 5(a) and (b) above), which do not require any adjustments to the Restated Financial Statements; and

- c) The Restated Financial Statements have been prepared in accordance with the Act, the SEBI (ICDR) Regulations, 2018 and the Guidance note.
7. In accordance with the requirements of the Act including the rules made there under, SEBI (ICDR) Regulations 2018, Guidance Note and engagement letter, we report that:
- a) The “restated statement of asset and liabilities” of the Company as at 30<sup>th</sup> September 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 examined by us, as set out in **Annexure 1** to this report read with significant accounting policies in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- b) The “restated statement of profit and loss” of the Company for the financial period/year ended on 30<sup>th</sup> September 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 examined by us, as set out in **Annexure 2** to this report read with significant accounting policies in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the, restated summary statements to this report.
- c) The “restated statement of cash flows” of the Company for the financial period/year ended on 30<sup>th</sup> September 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 examined by us, as set out in **Annexure 3** to this report read with significant accounting policies in **Annexure 4** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

We have also examined the following other financials information relating to the company prepared by the management and as approved by the Board of Directors of the company and Annexed to this report relating to the Company for the year / period ended as at 30<sup>th</sup> September 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 proposed to be included in the Offer Documents.

#### Annexure to Restated Financials Statement of the Company:

Sl. No.	Particulars	Note No.
1	Restated Consolidated Statement of Assets and Liabilities	<b>Annexure - I</b>
2	Restated Consolidated Statement of Profit and Loss	<b>Annexure - II</b>
3	Restated Consolidated Statement of Cash flow	<b>Annexure - III</b>
4	Restated Consolidated Statement of changes in Equity for the period ended 30 <sup>th</sup> September 2024	
5	Corporate information & Principles of Consolidation	<b>Annexure - IV</b>
6	Significant Accounting Policies	<b>Annexure – V</b>
7	Restated Consolidated Statement of Share Capital	Annexure-I.1
8	Restated Consolidated Statement of Reserves & Surplus	Annexure-I.2
9	Restated Consolidated Statement of Long-term Borrowings	Annexure-I.3
10	Restated Consolidated Statement of Deferred Tax Liabilities / Assets	Annexure-I.4
11	Restated Consolidated Statement of Long-term Provisions	Annexure-I.5
12	Restated Consolidated Statement of Minority Interest	Annexure-I.6
13	Restated Consolidated Statement of Short-term borrowings	Annexure-I.7
14	Restated Consolidated Statement of Current Maturities of Long-term Borrowings	Annexure-I.8
15	Restated Consolidated Statement of Trade payables	Annexure-I.9
16	Restated Consolidated Statement of Other Current Liabilities	Annexure-I.10
17	Restated Consolidated Statement of Short-term Provisions	Annexure-I.11
18	Restated Consolidated Statement of Fixed Assets	Annexure-I.12
19	Restated Consolidated Statement of Long-term loans and advances	Annexure-I.13
20	Restated Consolidated Statement of Other Non-Current Assets	Annexure-I.14
21	Restated Consolidated Statement of Inventories	Annexure-I.15
22	Restated Consolidated Statement of Trade Receivables	Annexure-I.16
23	Restated Consolidated Statement of Cash and Cash Equivalents	Annexure-I.17

Sl. No.	Particulars	Note No.
24	Restated Consolidated Statement of Short-term loans and advances	Annexure-I.18
25	Restated Consolidated Statement of Other Current Assets	Annexure-I.19
26	Restated Consolidated Statement of Revenue from Operations	Annexure-II.1
27	Restated Consolidated Statement of Other Income	Annexure-II.2
28	Restated Consolidated Statement of Cost of Materials Consumed	Annexure-II.3
29	Restated Consolidated Statement of Cost of Work Execution Expenses	Annexure-II.4
30	Restated Consolidated Statement of change in Inventory	Annexure-II.5
31	Restated Consolidated Statement of Employee Benefit Expenses	Annexure-II.6
32	Restated Consolidated Statement of Other Expenses	Annexure-II.7
33	Restated Consolidated Statement of Finance Cost	Annexure-II.8
34	Restated Consolidated Statement of Provision for Taxation	Annexure-II.9
35	Restated Consolidated Statement of Depreciation and Amortization Expenses	Annexure-I.12
36	Restated Consolidated Statement of Accounting & Other Ratios, as per SEBI (ICDR) Regulations, 2018 and Restated Consolidated Statement of Other Ratios, as per Companies Act, 2013	<b>Annexure-VI</b>
37	Restated Consolidated Statement of Capitalisation	<b>Annexure-VII</b>
38	Restated Consolidated Statement of Tax Shelter	<b>Annexure-VIII</b>
39	Restated Consolidated Statement of Related Parties & Transactions	<b>Annexure-IX</b>
40	Restated Consolidated Statement of Dividends	<b>Annexure-X</b>
41	Restated Consolidated Statement of Contingent Liabilities & Commitments	<b>Annexure-XI</b>
42	Restated Consolidated Statement of Details of Expenditure in foreign currency during the financial years	<b>Annexure-XII</b>
43	Restated Consolidated Statement of Earnings Per Share	<b>Annexure-XIII</b>
44	Restated Consolidated Financial Statements – Other Information	<b>Annexure-XIV</b>
45	Restated Consolidated Statement of Exceptional Items	Nil
46	Restated Consolidated Statement of Extra-Ordinary items	Nil

8. The Restated Financial Statements do not reflect the effects of the events that occurred subsequent to the respective dates of the reports on the Audited Consolidated Financial Statements and the Audited Standalone Financial Statements as mentioned paragraph 4 of this report.
9. This report should not in any way be construed as a reissuance or re-drafting of any auditors report issued by the other auditors of the subsidiary, nor this 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 this report.
11. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, BSE and Registrar of Companies (Hyderabad) in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For G.P. ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 006734S

Sd/-

Place: Hyderabad  
Date: 25<sup>th</sup> Mar 2025

(CA K ABHINAV)  
PARTNER  
M. No. 242972  
UDIN: 25242972BMHXYR8202

**Restated Consolidated Statement of Assets & Liabilities:**

Particulars	Note No	As at (Rs. In Lakhs)			
		30 <sup>th</sup> Sep 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
<b>I. EQUITY &amp; LIABILITIES</b>					
<b>(1) Shareholders Fund</b>					
a) Share capital	I.1	25.00	25.00	25.00	25.00
b) Reserves and surplus	I.2	696.28	306.45	232.17	164.86
<b>Total Shareholder's Fund</b>		<b>721.28</b>	<b>331.45</b>	<b>257.17</b>	<b>189.86</b>
<b>(2) Non-Current Liabilities</b>					
a) Long-Term Borrowings	I.3	853.63	801.77	860.01	844.34
b) Deferred Tax Liability (Net)	I.4	16.91	13.84	7.12	-
d) Long-term provisions	I.5	40.27	36.46	21.87	14.57
e) Minority Interest	I.6	21.86	15.60	27.55	52.81
<b>Total Non-Current Liabilities</b>		<b>932.68</b>	<b>867.68</b>	<b>916.56</b>	<b>911.72</b>
<b>(3) Current Liabilities</b>					
a) Short-term Borrowings	I.7	949.56	777.67	675.20	426.56
b) Current Maturity of Long-term Borrowings	I.8	64.78	50.58	57.13	-
c) Trade Payables	I.9	-	-	-	-
- Total outstanding dues of MSME		87.26	99.48	73.27	111.05
- Total outstanding dues of creditors other than MSME		335.33	266.95	145.52	97.98
d) Other Current Liabilities	I.10	136.52	116.96	68.76	56.46
e) Short-term Provisions	I.11	237.89	66.02	77.12	46.05
<b>Total Current Liabilities</b>		<b>1,811.34</b>	<b>1377.67</b>	<b>1,096.99</b>	<b>738.10</b>
<b>Total Equity &amp; Liability</b>		<b>3,465.29</b>	<b>2576.79</b>	<b>2,270.72</b>	<b>1,839.68</b>
<b>II. ASSETS</b>					
<b>(1) Non-Current Assets</b>					
<b>a) Fixed Assets</b>					
(i) Property, Plant and Equipment	I.12	600.36	592.58	607.02	34.36
(ii) Intangible Assets		-	-	-	-
(iii) Capital Work-In-Progress		272.24	234.43	206.87	666.48
<b>Total Fixed Assets</b>		<b>872.60</b>	<b>827.01</b>	<b>813.90</b>	<b>700.84</b>
b) Deferred Tax Assets (Net)	I.4	-	-	-	1.46
c) Long-term Loans and Advances	I.13	38.19	9.76	38.77	25.07
d) Other Non- Current Assets	I.14	2.82	2.82	-	-
<b>Total Non-Current Assets</b>		<b>41.01</b>	<b>12.58</b>	<b>38.77</b>	<b>26.53</b>
<b>(2) Current assets</b>					
a) Inventories	I.15	372.19	246.29	182.41	102.92
b) Trade Receivables	I.16	1,677.34	1,043.95	722.46	662.75
c) Cash and Cash Equivalents balances	I.17	34.55	26.60	1.25	81.92
d) Short-term Loans and advances	I.18	346.11	322.81	277.19	173.93
e) Other Current Assets	I.19	121.50	97.56	234.74	90.80
<b>Total Current Assets</b>		<b>2,551.68</b>	<b>1,737.21</b>	<b>1,418.05</b>	<b>1,112.32</b>
<b>Total Assets</b>		<b>3,465.29</b>	<b>2,576.79</b>	<b>2,270.72</b>	<b>1,839.68</b>

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

For G.P. ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 006734S

Sd/-

(CA K ABHINAV)  
PARTNER  
M. No. 242972  
UDIN: 25242972BMHXYR8202  
Place : Hyderabad  
Date: 25<sup>th</sup> Mar 2025

Sd/-  
(Y. Tejaswini)  
Director  
DIN: 00232268

Sd/-  
(G. Rama Chandra Rao)  
Chief Financial Officer

On Behalf of Board  
CHIRAHARIT LIMITED

Sd/-  
(B. Pavan Kumar)  
Managing Director  
DIN: 03614791

Sd/-  
(DVK Dixitulu)  
Company Secretary  
Membership No. A-52329

**Restated Consolidated Statement of Profit & Loss:**

Annexure - II

Particulars	Note No	For the Period / year ended (Rs. In Lakhs)			
		30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Income</b>					
<b>Revenue from Operations</b>					
Sale of Products	II.1	2,505.55	2,285.81	1,831.20	1,511.90
Sale of Services		762.06	770.75	1,457.59	930.71
Other Income	II.2	0.22	0.87	14.38	5.44
<b>Total Income</b>		<b>3,267.83</b>	<b>3,057.42</b>	<b>3,303.16</b>	<b>2,448.04</b>
<b>Expenditure</b>					
Cost of Material Consumed	II.3	1,962.96	1,749.31	1,464.43	1,136.63
Work Execution Expenses	II.4	480.96	560.61	1,264.95	843.49
Change in Inventories	II.5	(125.89)	(57.47)	(79.49)	(30.42)
Employee Benefit Expenses	II.6	259.53	453.04	382.72	255.40
Other Expenses	II.7	91.89	115.33	87.50	75.79
<b>Total Expenses</b>		<b>2,669.45</b>	<b>2,820.83</b>	<b>3,120.11</b>	<b>2,280.89</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>598.39</b>	<b>236.59</b>	<b>183.06</b>	<b>167.15</b>
Depreciation & Amortisation Expenses	I.12	16.12	30.67	24.46	9.82
<b>Profit Before Interest and Tax</b>		<b>582.27</b>	<b>205.92</b>	<b>158.60</b>	<b>157.33</b>
Financial Cost	II.8	55.88	91.67	63.22	29.45
<b>Profit before Taxation</b>		<b>526.38</b>	<b>114.25</b>	<b>95.38</b>	<b>127.87</b>
Provision for Taxation	II.9	139.56	45.28	42.61	34.20
Provision for Deferred Tax		3.07	6.69	8.58	(0.51)
Earlier Tax		2.66	1.95	2.14	0.57
<b>Total</b>		<b>145.30</b>	<b>53.91</b>	<b>53.33</b>	<b>34.26</b>
<b>Profit After Tax but Before Extra-ordinary Items</b>		<b>381.08</b>	<b>60.34</b>	<b>42.05</b>	<b>93.62</b>
Extraordinary Items		-	-	-	-
Profit Attributable to Minority Shareholders		-	-	-	-
<b>Net Profit after adjustments</b>		<b>381.08</b>	<b>60.34</b>	<b>42.05</b>	<b>93.62</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>381.08</b>	<b>60.34</b>	<b>42.05</b>	<b>93.62</b>

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

For G.P. ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 006734S

On Behalf of Board  
CHIRAHARIT LIMITED

Sd/-

(CA K ABHINAV)  
PARTNER  
M. No. 242972  
UDIN: 25242972BMHXYR8202  
Place : Hyderabad  
Date: 25<sup>th</sup> Mar 2025

Sd/-  
(Y. Tejaswini)  
Director  
DIN: 00232268

Sd/-  
(B. Pavan Kumar)  
Managing Director  
DIN: 03614791

Sd/-  
(G. Rama Chandra Rao)  
Chief Financial Officer

Sd/-  
(DVK Dixitulu)  
Company Secretary  
Membership No. A-52329

**Restated Consolidated Statement of Standalone Cash Flow:**

Annexure - III

Particulars	For the Period/Year ended on (Rs. In Lakhs)			
	Sep-24	Mar-24	Mar-23	Mar-22
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit Before Tax as per Profit & Loss A/c	526.38	114.25	95.38	127.87
<i>Adjusted for:</i>				
a. Depreciation	16.12	30.67	24.46	9.82
b. Interest Expenses & Finance Cost	55.88	91.67	63.22	29.45
c. Other Adjustments	-	(0.44)	-	-
d. Interest & Other Income	(0.06)	(0.01)	(10.19)	(0.51)
e. Preliminary Expenses Written off		0.84		
<b>Operating profit before working capital changes</b>				
<i>Adjusted for:</i>				
a. Decrease / (Increase) in Inventories	(125.89)	(63.88)	(79.49)	(30.42)
b. Decrease / (Increase) in trade receivable	(633.39)	(321.48)	(59.71)	(95.12)
c. (Increase) / Decrease in short-term loans and advances	(23.30)	(45.62)	(103.26)	(114.67)
d. Increase / (Decrease) in Trade Payables	56.17	147.64	9.76	97.02
e. Increase / (Decrease) in short-term provisions	171.86	(11.10)	31.07	21.65
f. Increase / (Decrease) in other current liabilities	19.55	48.20	12.30	14.88
g. (Repayments) / proceeds of short-term borrowings	186.09	95.93	305.77	(418.68)
h. (Increase) / Decrease in Other Current Assets	(23.94)	137.18	(143.94)	19.84
<b>Cash generated from operations</b>				
Net Income Tax (Paid)/Refund	(142.23)	(47.22)	(44.75)	(34.77)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>83.25</b>	<b>176.62</b>	<b>100.61</b>	<b>(373.62)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
a. (Purchase) Sale of Fixed Assets	(23.89)	(16.17)	(597.12)	(9.88)
b. (Increase) / Decrease in Capital Work in Progress	(37.81)	(27.55)	459.61	(359.55)
c. (Increase) / Decrease in Long-term loans and advances	(28.44)	13.82	(13.70)	(8.20)
d. Increase / (Decrease) in Long-term Provisions	3.81	14.59	7.30	4.62
e. (Increase) / Decrease in Other Non-Current Assets	-	-	-	-
f. (Increase) in Misc. Expenses	-	-	-	-
g. Interest & Other Income	0.06	0.01	10.19	0.51
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(86.27)</b>	<b>(15.31)</b>	<b>(133.73)</b>	<b>(372.49)</b>



Particulars	For the Period/Year ended on (Rs. In Lakhs)			
	Sep-24	Mar-24	Mar-23	Mar-22
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a. Interest & Finance Cost	(55.88)	(91.67)	(63.22)	(29.45)
b. Proceeds from share issued including Premium	-	-	-	-
c. Minority Interest	15.00	13.94	-	-
d. (Repayments) / proceeds of long-term borrowings	51.86	(58.24)	15.67	840.78
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>10.98</b>	<b>(135.97)</b>	<b>(47.54)</b>	<b>811.33</b>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>7.95</b>	<b>25.35</b>	<b>(80.67)</b>	<b>65.21</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>26.60</b>	<b>1.25</b>	<b>81.92</b>	<b>16.71</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>34.55</b>	<b>26.60</b>	<b>1.25</b>	<b>81.92</b>

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.
2. The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

**For G.P. ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No. 006734S**

**On Behalf of Board**  
**CHIRAHARIT LIMITED**

Sd/-

**(CA K ABHINAV)**  
**PARTNER**  
**M. No. 242972**  
**UDIN: 25242972BMHXYR8202**  
**Place : Hyderabad**  
**Date: 25<sup>th</sup> Mar 2025**

Sd/-  
**(Y. Tejaswini)**  
**Director**  
**DIN: 00232268**

Sd/-  
**(B. Pavan Kumar)**  
**Managing Director**  
**DIN: 03614791**

Sd/-

**(G. Rama Chandra Rao)**  
**Chief Financial Officer**

Sd/-

**(DVK Dixitulu)**  
**Company Secretary**  
**Membership No. A-52329**

**Restated Consolidated Statement of changes in Equity for the period ended 30<sup>th</sup> September 2024:****A) Equity Share Capital**

<b>PARTICULARS</b>	<b>AMOUNT</b>
<b>Balance as at April 1, 2022</b>	<b>25,00,000</b>
Issued Shares during the year	-
Shares bought back and extinguished during the year	-
<b>Balance as at April 1, 2023</b>	<b>25,00,000</b>
Issued Shares during the year	-
Shares bought back and extinguished during the year	-
<b>Balance as at March 31, 2024</b>	<b>25,00,000</b>
Issued Shares during the year	-
Shares bought back and extinguished during the year	-
<b>Balance as at September 30, 2024</b>	<b>25,00,000</b>

**B) Other Equity**

Particulars	(Rs. In Lakhs)				
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Total Equity
<b>Balance as at April 1, 2022</b>	-	-	-	<b>164.86</b>	<b>164.86</b>
Profit for the year	-	-	-	42.05	42.05
Buy Back of shares	-	-	-	-	-
Dividends paid (including dividend distribution taxes)	-	-	-	-	-
Other Adjustments	-	-	-	25.26	25.26
<b>Balance as at April 1, 2023</b>	-	-	-	<b>232.17</b>	<b>232.17</b>
Profit for the year	-	-	-	60.34	60.34
Buy Back of shares	-	-	-	-	-
Dividends paid (including dividend distribution taxes)	-	-	-	-	-
Other Adjustments	-	-	-	13.94	13.94
<b>Balance as at March 31, 2024</b>	-	-	-	<b>306.45</b>	<b>306.45</b>
Profit for the year	-	-	-	381.08	381.08
Buy Back of shares	-	-	-	-	-
Dividends paid (including dividend distribution taxes)	-	-	-	-	-
Other Adjustments: Minority Interest Share of profits	-	-	-	8.74	8.74
<b>Balance as at September 30, 2024</b>	-	-	-	<b>696.28</b>	<b>696.28</b>

## **Notes forming part of Restated Consolidated Financial Statements:**

### **Annexure – IV**

#### **Corporate Information:**

Chiraharit Limited (formerly known as “Chiraharit Private Limited”) was incorporated in India in the year 2006. The company is located at Hyderabad in Survey No. 157, Malaxmi courtyard, Khajaguda Village, Chitrapuri Colony, Hyderabad - 500 104.

The Company provides turnkey and engineering solutions for irrigation systems like Drip, Sprinklers, Rain guns etc. and provide solutions for solar module cleaning systems, drinking water supply, grey water handling and bulk industrial water movement.

#### **Principles of Consolidation:**

The Consolidated financial statements include financial statements of Chiraharit Limited and its Subsidiaries. Subsidiaries from the date on which effective control is transferred to the group to the date of such control exist.

The List of subsidiary companies considered for consolidation together with the proportion of shareholding held by the group is as follows:

Sl. No.	Name of Company	Relationship with the company	% of holding
1	Malaxmi Polymers Private Limited	Subsidiary	66%
2	Vasavi Building Materials Private Limited	Wholly-owned Subsidiary	99.99%

The Consolidated Financial Statements have been prepared in accordance with the historical cost and going concern convention and on accrual basis in accordance with the Indian Generally Accepted Accounting Principles (‘GAAP’) in India and the pronouncements of the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The Consolidated Financials of the Group have been prepared on a line-by-line basis by adding together the book value of Subsidiary Company like items of assets, liabilities, income and expenses and all material intercompany balances and inter-company transactions and resulting unrealized profits or losses are eliminated on consolidation except where cost cannot be recovered.

The difference between the cost to the Group of Investments in Subsidiary and the proportionate share in the equity of the subsidiary company as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Any gain/loss arising upon acquiring additional stake in subsidiary from parties outside the group is accounted for as goodwill/capital reserve.

Minorities’ Interest in Net Profits of Consolidated Subsidiary for the year is identified and adjusted against the income in order to arrive at the Net Income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the consolidated balance sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity in the absence of the contractual obligation on the minorities, the same is accounted for by the Company.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company’s separate financial statements. Changes have been made in the accounting policies followed by the subsidiary to the extent they were material and identifiable from their respective audited financial statements to make them uniform with the accounting policies followed by the holding company except where it has not been practicable to use uniform accounting policies in preparing the consolidated financial statements.

**Significant Accounting Policies:**

**The company has applied following accounting policies consistently:**

**1) Basis of preparation of Financial Statements:**

The Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**2) Current and Non-current Classification:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act

**3) Functionality and presentation currency:**

These financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency. All Amounts have been rounded to the nearest rupee, unless otherwise indicated.

**4) Use of Judgements and Estimates:**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

- **Judgements:**

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements have been given below:

- Classification of financial assets: assessment of business model within which the assets are held.

- **Assumptions and estimation uncertainties:**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts; and
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

**5) Property Plant & Equipment:**

Fixed Assets are stated at actual cost, less accumulated depreciation and impairment, if any. The actual cost capitalized comprises material cost, inward freight, installation cost, duties and taxes and other incidental expenses incurred to acquire/construct/install the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

The cost and the accumulated depreciation for fixed assets old, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are included in the Statement of Profit and loss.

#### 6) Depreciation:

- Company depreciates its property plant and equipment on the Written down value method.
- Leasehold land is amortized over the period of lease. Leasehold improvements are amortized over the period of lease or estimated useful life, whichever is lower.
- The company believes that useful life of assets is same as those prescribed in **Schedule II** of the Act, except for the below assets based on technical evaluation, useful life has been estimated to be different from that prescribed in **schedule II** of the Act.

ngs	30 Years
Equipment	5 Years
& Machinery	15 Years
iters	3 Years
es	8 Years

- The residual values are not more than 5% of the original cost of the asset.
- The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- In case of pre-owned assets, the useful life is estimated on a case to case basis.
- Depreciation on additions / deletions is calculated pro-rata from the month of such addition / deletion, as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount.

#### 7) Inventories:

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods, Stock-in-trade and Property under development are stated 'at cost or net realizable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out', 'Weighted Average cost' or 'Specific identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

#### 8) Revenue Recognition:

The Company recognizes revenue from sale of goods when –

- effective control of goods along with the significant risks and rewards of ownership has been transferred to buyer;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue (other than sale of goods) is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue represents net value of goods provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, incentive programs etc.

Interest income are recognized on an accrual basis using the effective interest method.

#### 9) Employee Benefits:

##### • Short-term obligations:

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.



- **Defined Contribution Plans:**

Defined Contribution Plans such as Provident Fund (PF), Employee State Insurance (ESI) etc., are charged to the Statement of Profit and Loss as incurred.

- **Termination Benefits:**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; when the Company recognizes costs for a restructuring that is within the scope of Accounting Standards and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

- **Employee Benefits:**

Contribution as per the Employees Provident Fund Law towards the Provident Fund are provided for, and payments in respect thereof are made to the relevant authorities on an actual basis. The relevant employer's contributions are recognized as an expenditure and are charged to the Profit & Loss Account under the group head "Employee Benefits."

For Gratuity, the present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The company does not have a funded plan for gratuity liability.

- **Post-Employment Benefits:**

- Defined contribution plans are post-employment benefit plans under which an enterprise pays fixed contributions into a separate entity (a fund) and will have no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.
- Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.
- Interest cost is the increase during a period in the present value of a defined benefit obligation, which arises because the benefits are one period closer to settlement.

## 10) Income tax:

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit or loss.

- **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- Has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

- **Deferred tax:**

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced

to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

- **Deferred tax:**

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the consolidated statement of profit and loss and included in deferred tax assets. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

## 11) Provisions and Contingencies:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### Statement of Contingent Liabilities & Commitment:

Particulars	30-09-2024	31-03-2024	31-03-2023	31-03-2022
<b>Contingent Liabilities</b>				
Claims against the company not acknowledged as debt	-	-	-	-
Corporate Guarantees Given	-	-	-	-
<b>Bank Guarantees Given</b>				
Tata Power Solar Systems Ltd	8.37	8.37		
The Registrar Institute of Information Technology	1.36	-	-	-
ORB Energy Pvt Ltd	0.70	-	-	-
Other money for which the company is contingently liable	-	-	-	-

## 12) Cash and Cash Equivalents:

Cash comprises cash on hand, in bank, demand deposits with banks and with financial institutions. The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

Cash flows are reported using indirect method, whereby profit / (loss) after tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments for the year. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**Restated Consolidated Statement of Share Capital:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>Authorised Capital</b>				
6,00,00,000 Equity shares of ₹1/- each	600.00			
25,00,000 Equity shares of ₹1/- each		25.00	25.00	25.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>				
25,00,000 Equity shares of ₹1/- each	25.00	25.00	25.00	25.00

**Note:** The Company has only one class of equity shares of par value ₹1/- each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding.

Further, the shareholders of Chiraharit Private Limited approved the issuance of bonus shares in the ratio of 15 shares for every 1 share held during the Annual General Meeting held on 9th September 2024. The allotment of these bonus shares was completed on 10th October 2024. As the issuance and allotment occurred after the reporting date (30th September 2024), the impact of the bonus issue is not reflected in the current financials. The necessary adjustments for the transfer of reserves to share capital will be reflected in the next reporting period.

**Reconciliation of No. of Shares Outstanding at the end of the year:****(No. of Equity Shares)**

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Shares outstanding at the beginning of the year	25,00,000	25,00,000	25,00,000	25,00,000
Shares issued during the year	-	-	-	-
Bonus Issued during the year	-	-	-	-
<b>Share outstanding at the end of the year</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>

**Details of Shareholding more than 5% of the aggregate shares in the company:**

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b><i>Dr. Tejaswini Yarlagadda</i></b>				
No. of Shares	18,00,000	18,00,000	20,00,000	20,00,000
% Holding	72.00%	72.00%	80.00%	80.00%
<b><i>Pavan Kumar Bang</i></b>				
No. of Shares	5,00,000	5,00,000	3,00,000	3,00,000
% Holding	20.00%	20.00%	12.00%	12.00%
<b><i>G.V. Ramana Reddy</i></b>				
No. of Shares	2,00,000	2,00,000	2,00,000	2,00,000
% Holding	8.00%	8.00%	8.00%	8.00%

**Details of Shareholding of Promoters:**

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b><i>Dr. Tejaswini Yarlagadda</i></b>				
No. of Shares	18,00,000	18,00,000	20,00,000	20,00,000
% Holding	72.00%	72.00%	80.00%	80.00%
% change during the year	0.00%	-8.00%	0.00%	0.00%
<b><i>Pavan Kumar Bang</i></b>				
No. of Shares	5,00,000	5,00,000	3,00,000	3,00,000
% Holding	20.00%	20.00%	12.00%	12.00%
% change during the year	0.00%	+8.00%	0.00%	0.00%
<b><i>G.V. Ramana Reddy</i></b>				
No. of Shares	2,00,000	2,00,000	2,00,000	2,00,000
% Holding	8.00%	8.00%	8.00%	8.00%
% change during the year	0.00%	0.00%	0.00%	0.00%

**Note:** Only current promoters shareholding is shown in previous years

Since the issuance and allotment of bonus shares occurred after the reporting date of 30th September 2024, the impact of the bonus share issue is not reflected in the current financial statements. The necessary adjustments for the transfer of reserves to share capital will be accounted for in the next reporting period.

**The revised capital structure as of 9th October 2024 is as follows:**

Particulars	As of 9th Oct 2024		As of 30th Sep 2024	
	%	Number of Shares	%	Number of Shares
Y Tejaswani	72%	2,88,00,000	80%	18,00,000
Pavan Kumar Bang	20%	80,00,000	12%	5,00,000
G.V Ramana Reddy	8%	32,00,000	8%	2,00,000
Total	100%	4,00,00,000	100%	25,00,000

**Annexure – I.2****Restated Consolidated Statement of Reserves & Surplus:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>Statement of Profit &amp; Loss</b>				
Opening balance	306.45	232.17	164.86	72.53
Add: Profit for the year	381.08	60.34	42.05	93.62
Add: Share of Minority Interests	8.74	13.94	25.26	(1.29)
<b>Total</b>	<b>696.28</b>	<b>306.45</b>	<b>232.17</b>	<b>164.86</b>

## Annexure – I.3

**Restated Consolidated Statement of Long-term Borrowings:**

(Rs. In Lakhs)

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>Secured Loans from Bank/FIs</b>				
(i) ICICI Bank Term Loan - 603090014507	8.28	15.38	29.58	43.78
(ii) ICICI Bank Term Loan - 603090018215	10.43	19.37	37.25	55.14
(iii) ICICI Bank Term Loan - 603090014245	1.31	2.43	4.68	6.93
(iv) ICICI Bank Term Loan - 603090023783	11.06	14.38	28.20	-
(v) ICICI Bank Term Loan - 603090022334	9.29	11.71	21.80	-
<b>Total of Secured Loans from Bank/Fis</b>	<b>40.37</b>	<b>63.27</b>	<b>121.51</b>	<b>105.84</b>
<b>Unsecured Loans from Bank/FIs</b>				
(vi) ICICI Bank	74.77	-	-	-
<b>Total of Unsecured Loans from Bank/FIs</b>	<b>74.77</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unsecured Loans from Related Parties</b>				
Loans from Directors	438.50	438.50	438.50	438.50
Loans from Malaxmi Infra Ventures (India) Limited	300.00	300.00	300.00	300.00
<b>Total of Unsecured Loans from Related Parties</b>	<b>738.50</b>	<b>738.50</b>	<b>738.50</b>	<b>738.50</b>
<b>Total Long-term Borrowings</b>	<b>853.63</b>	<b>801.77</b>	<b>860.01</b>	<b>844.34</b>

**Note:** There were no rescheduling or defaults in the repayment of loan taken by the Company.

## Sub Notes to Annexure - I.3

(Rs. In Lakhs)

#	Name of Lender	Date of Sanction	Purpose	Repayment Terms	Rate of Interest	Sanctioned Amount
(i)	ICICI Bank Term Loan – 603090014507	08-02-2021	Equipment Loan	54 Months	10%	63.89
(ii)	ICICI Bank Term Loan – 603090018215	08-02-2021	Equipment Loan	51 Months	10%	76.00
(iii)	ICICI Bank Term Loan – 603090014245	08-02-2021	Equipment Loan	54 Months	10%	10.11
(iv)	ICICI Bank Term Loan – 603090023783	05-09-2023	Equipment Loan	51 Months	10%	28.20
(v)	ICICI Bank Term Loan – 603090022334	05-09-2023	Equipment Loan	54 Months	10%	21.80
(vi)	ICICI Bank – Unsecured Loan	31-07-2024	Working Capital	48 Months	15.10%	95.00

**Secured Loans (i to v):**

Security offered as per current sanction letter:

**i. ICICI Bank Term Loan – 603090014507 – (Sanction letter No: CAL82640553251, Date: 08-02-2021)****Primary Security :**

- Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
- Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers.
- Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
- Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a.

**ii. ICICI Bank Term Loan – 603090018215 - (Sanction letter No: CAL82640553251, Date: 08-02-2021)****Primary Security :**

- Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.



- b) Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
- c) Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummalloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
- d) Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a

**iii. ICICI Bank Term Loan – 603090014245 - (Sanction letter No: CAL82640553251, Date: 08-02-2021)**

**Primary Security** :

- a) Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
- b) Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
- c) Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummalloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
- d) Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a.

**iv. ICICI Bank Term Loan – 603090023783 – (Sanction Letter No: BLG//P/176496, Dated: 05-09-2023)**

**Primary Security** :

- a) Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
- b) Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
- c) Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park Mankhal, Tummalloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
- d) Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a.

**v. ICICI Bank Term Loan – 603090022334 (Sanction Letter No: BLG//P/176496, Dated: 05-09-2023)**

**Primary Security** :

- a) Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
- b) Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
- c) Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park Mankhal, Tummalloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
- d) Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of Interest** : 10 % p.a.

**vi. Unsecured Loans from Bank/FIs (ICICI Bank):**

The Company secured an unsecured business loan of Rs. 95 Lakhs from ICICI Bank as confirmed on 31st July 2024. The loan carries a fixed interest rate of 15.10% p.a., with monthly instalments of Rs. 2,64,874 over 48 months, starting September 2024. No asset hypothecation was needed.

## Annexure – I.4

**Restated Consolidated Statement of Deferred Tax Liabilities/Assets:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>Deferred Tax Assets/Liabilities Provision</b>				
WDV As Per Companies Act 2013	462.42	454.32	469.09	34.36
WDV As Per Income Tax Act	395.22	399.45	440.78	40.15
<b>Difference in WDV</b>	<b>(67.20)</b>	<b>(54.87)</b>	<b>(28.31)</b>	<b>5.79</b>
<b>(DTA)/DTL</b>	<b>(16.91)</b>	<b>(13.84)</b>	<b>(7.12)</b>	<b>1.46</b>
<b>Deferred Tax Assets Provision</b>				
Opening Balance of DTA/(DTL)	(13.84)	(7.12)	1.46	0.95
Add: Provision for the year	(3.07)	(6.71)	(8.58)	0.51
<b>Closing Balance of DTA/(DTL)</b>	<b>(16.91)</b>	<b>(13.84)</b>	<b>(7.12)</b>	<b>1.46</b>

## Annexure – I.5

**Restated Consolidated Statement of Long-term Provisions:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Provision for Employee Benefits				
- Gratuity	40.27	36.46	21.87	14.57
<b>Total</b>	<b>46.61</b>	<b>42.60</b>	<b>22.91</b>	<b>15.91</b>

## Annexure – I.6

**Restated Consolidated Statement of Minority Interest:**

(Rs. In Lakhs)

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>Minority Interest</b>				
Minority Interest	21.86	15.60	27.55	52.81
<b>Total</b>	<b>21.86</b>	<b>15.60</b>	<b>27.55</b>	<b>52.81</b>

## Annexure – I.7

**Restated Consolidated Statement of Short-term Borrowings:**

(Rs. In Lakhs)

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>Secured Loans from Bank/FIs</b>				
(i) Dropline Overdraft Limit from ICICI	405.00	384.29	-	-
(ii) Overdraft Limit from ICICI	209.71	176.70	484.84	341.37
(iii) Overdraft Limit from ICICI	0.10	-	-	-
(iv) Cash Credit from ICICI	334.76	216.68	185.17	-
(v) Guaranteed Emergency Credit Limit ICICI	-	-	3.74	43.33
(vi) Sundaram Finance Limited	-	-	1.44	7.53
<b>Total of Secured Loans from Bank/Fis</b>	<b>949.56</b>	<b>777.67</b>	<b>675.20</b>	<b>392.23</b>
<b>Unsecured Loans from Bank/FIs</b>				
Current maturities of long term debt	-	-	-	34.33
<b>Total of Unsecured Loans from Bank/FIs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34.33</b>
<b>Total Short-Term Borrowings</b>	<b>949.56</b>	<b>777.67</b>	<b>675.20</b>	<b>426.56</b>

**Short Term Secured Loans (i to v):****Sub Notes to Annexure - I.7:**

#	Name of Lender	Date of Sanction	Purpose	Repayment Terms	Rate of Interest	Sanctioned Amount
(i)	Dropline Over Draft Limit from ICICI	26-10-2023	Working Capital	Renewal in 12 months	9.75%	450.00
(ii)	Over Draft Limit from ICICI	21-08-2024	Working Capital	Renewal in 12 months	10%	331.30
(iii)	Over Draft Limit from ICICI	25-07-2024	Working Capital	Renewal in 12 months	9.75%	47.00
(iv)	Cash Credit from ICICI	29-04-2022	Working Capital	Renewal in 12 months	10%	600.00

**Security offered as per current sanction letter:****(i) ICICI Bank Drop Line Over Draft Limit: (Sanction Letter No: BLG//P/182318, Dated: 26-10-2023)****Primary Security :**

- Extension of exclusive charge in favor of the Bank by way of hypothecation of the firms entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
- Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagaadda
- Extension of equitable mortgage in a form and manner satisfactory to the Bank, on the property as described in the table below and having aggregate value of Rs.165.143 million (residual value available for current limits - Rs.87Mn) being used as Self Occupied Commercial property to be done prior to disbursement of limits.

Type	Location	Value
Commercial property (Owned by M/s Malaxmi Infra Ventures (India) Private Limited)	Survey No.157 Part, Malaxmi Courtyard, H.No.2-65/1/SN-157/Part-2, Westside Part, Near Niharika Exotica, Lanco Hills Road, Khajaguda Village, Serilingampally Mandal, Ranga Reddy, Hyderabad, Telangana – 500019	Rs.165.143 million (residual value available for proposed limits -Rs.87Mn)
<b>Total</b>		<b>Rs.165.143 million (residual value available for proposed limits - Rs.87Mn)</b>

- d) Two Recourse Cheques in favor of ICICI Bank Limited A/c M/s.Chiraharit Private Limited. One for facility amount and one for two quarters interest on enhanced amount assuming full utilization

**Rate of interest** : 9.75% p.a.

**Note:** This credit facility has been renewed vide sanction letter no. **BLGHYDCAL201425 & dated 22<sup>nd</sup> October 2024** & it is validity till 21<sup>st</sup> October 2025. All the terms of sanction under the original sanction letter remains unaltered.

**(ii) ICICI Bank Over Draft Limit : (Sanction Letter No: BLG//P/182318, Dated: 21-08-2024)**

**Primary Security :**

- Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
- Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
- Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park Mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
- Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a.

**(iii) ICICI Bank Over Draft Limit: (Sanction Letter No: CAL152207788639, Dated: 25-07-2024)**

**Primary Security :**

- Personal Guarantee of Mr. PAVAN KUMAR BANG and Mrs. Tejaswini Yarlagadda to be obtained prior to disbursement
- Extension of Equitable mortgage of the property located at Survey No.157 Part, Malaxmi Courtyard, Khajaguda Village, Serilingampally Mandal, Ranga Reddy, Hyderabad, Telangana 500104

**(iv) ICICI Bank Cash Credit : Sanction Letter No CAL1181706314344, Dated: 29-04-2022)**

**Primary Security :**

- Exclusive charge in favor of the Bank by way of hypothecation of the firms entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
- Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda
- Extension of Equitable mortgage, in a form and manner satisfactory to the Bank, on the property as described in the table below and having aggregate value of ` Rs.122 million being used as Self Occupied Commercial property to be done prior to disbursement of limits.

Type	Location	Value
Commercial property (Owned by M/s Malaxmi Property Ventures Private Limited)	Commercial Property Malaxmi Courtyard, Survey No 157 Khajaguda Village, Hyderabad Hyderabad HYDERABAD TELANGANA -500018	Rs.122 Mn
<b>Total</b>		<b>Rs.122 Mn</b>

- d) Two Recourse Cheques in favor of ICICI Bank Limited A/c M/s.Chiraharit Pvt Ltd. One for facility amount and one for two quarters interest on enhanced amount assuming full utilization.

**Rate of interest** : 10 % p.a.  
 Corporate Guarantee : Nil  
 Major Covenants, if any : Nil  
 Any Non-compliance of sanctioned terms : Nil.

**Note:** This credit facility has been renewed vide sanction letter no. **BLGHYDCAL147179 & dated 08<sup>th</sup> May 2024** & it is validity till 07<sup>th</sup> May 2025. All the terms of sanction under the original sanction letter remains unaltered.

**Annexure – I.8****Restated Consolidated Statement of Current Maturities of Long-Term Borrowings:** *(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Current maturities of long-term debt	64.78	50.58	57.13	
<b>Total of Current Maturity of Long-Term Borrowing</b>	<b>64.78</b>	<b>50.58</b>	<b>57.13</b>	

**Annexure – I.9****Restated Consolidated Statement of Trade Payables:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Outstanding Dues for MSME Creditors	87.26	99.48	73.27	111.05
Outstanding Dues for Other than MSME Creditors	335.33	266.95	145.52	97.98
<b>Total</b>	<b>422.59</b>	<b>366.42</b>	<b>218.78</b>	<b>209.03</b>

The company identifies suppliers registered under Micro Small Medium Enterprises Development Act 2006 by sourcing information from suppliers and accordingly made classification based on available information with the company.



**Sub Notes to Annexure I.9:****Trade Payables:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>For MSME Creditors</b>				
Less Than 1 Years	87.12	99.03	73.27	111.05
1 - 2 Years	0.14	0.24	-	-
2 - 3 Years	-	0.20	-	-
More Than 3 Years	-	-	-	-
<b>Total</b>	<b>87.26</b>	<b>99.48</b>	<b>73.27</b>	<b>111.05</b>
<b>For Other than MSME Creditors</b>				
Less Than 1 Years	305.89	253.58	145.52	97.86
1 - 2 Years	25.49	9.21	-	0.13
2 - 3 Years	3.95	4.16	-	-
More Than 3 Years	-	-	-	-
<b>Total</b>	<b>335.33</b>	<b>266.95</b>	<b>145.52</b>	<b>97.98</b>

**Annexure – I.10****Restated Consolidated Statement of Other Current Liabilities:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Statutory remittances	100.76	83.40	45.23	52.24
Other Payables	28.62	17.68	13.09	3.73
Advance from Customers	7.14	15.89	10.45	0.50
<b>Total</b>	<b>136.52</b>	<b>116.96</b>	<b>68.76</b>	<b>56.46</b>

**Annexure – I.11****Restated Consolidated Statement of Short-term Provisions:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Provision for Expenses	56.53	0.61	5.51	11.42
Provision for Employee benefits	35.46	32.88	27.97	23.63
Provision for Income Tax	139.56	26.39	42.61	9.66
Provision for Gratuity	6.34	6.14	1.04	1.34
<b>Total</b>	<b>237.89</b>	<b>66.02</b>	<b>77.12</b>	<b>46.05</b>

## Annexure – I.12

**Restated Consolidated Statement of Fixed Assets:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
<b>(i) Property, Plant and Equipment</b>				
Land & Building	137.93	137.93	137.93	-
Plant & Machinery	204.56	193.51	196.40	16.84
Furniture & Fittings	0.86	0.89	0.62	-
Office Equipment	3.54	3.26	1.77	0.54
Computers, Printers & Other Accessories	5.37	4.99	8.29	2.41
Vehicles	3.97	4.97	8.63	12.69
Buildings	242.67	245.49	251.69	-
Leasehold Improvements	1.46	1.54	1.70	1.88
<b>Total Net Block of Tangible Assets</b>	<b>600.36</b>	<b>592.58</b>	<b>607.02</b>	<b>34.36</b>
<b>(ii) Intangible Assets</b>	-	-	-	-
<b>iii) Capital Work-In-Progress</b>				
Plot of Land *	272.24	234.43	206.87	340.20
Civil Works and Plant and Machinery	-	-	-	260.72
Pre-operative Expenses	-	-	-	65.56
<b>Total Capital Work-In-Progress</b>	<b>272.24</b>	<b>234.43</b>	<b>206.87</b>	<b>666.48</b>

- The plot of land Situated at Plot # 41, measuring 3,649 Sqmt at Plastic Park Mankhal, Tumaloor Village, Maheshwaram Mandal, Ranga Reddy Dist, Telangana

## Annexure – I.13

**Restated Consolidated Statement of Long-Term Loans and Advances:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Security Deposits	12.09	4.42	2.71	2.71
Balance with revenue authorities	26.10	5.34	36.06	22.36
<b>Total</b>	<b>38.19</b>	<b>9.76</b>	<b>38.77</b>	<b>25.07</b>

## Annexure – I.14

**Restated Consolidated Statement of Other Non-Current Assets:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Good Will - On Acquisition	2.82	2.82	-	-
<b>Total</b>	<b>2.82</b>	<b>2.82</b>	<b>-</b>	<b>-</b>

## Annexure – I.15

**Restated Consolidated Statement of Inventories:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Finished Goods	372.19	246.29	182.41	102.92
<b>Total</b>	<b>372.19</b>	<b>246.29</b>	<b>182.41</b>	<b>102.92</b>

## Annexure – I.16

**Restated Consolidated Statement of Trade Receivables:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Un Secured Trade receivables – considered good	1,677.34	1,043.95	722.46	662.75
Un Secured Trade receivables – considered doubtful	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-
Disputed Trade receivables – considered doubtful	-	-	-	-
<b>Total</b>	<b>1,677.34</b>	<b>1,043.95</b>	<b>722.46</b>	<b>662.75</b>

## Sub Notes on Annexure – I.16

**Trade Receivables:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Less Than 6 Months	1,616.24	999.69	627.64	613.77
6 Months - 1 Years	36.59	34.32	83.19	37.71
1 - 2 Years	17.32	8.31	9.16	7.03
2 - 3 Years	7.18	3.64	2.47	4.24
More Than 3 Years	-	-	-	-
<b>Total</b>	<b>1,677.34</b>	<b>1,043.95</b>	<b>722.46</b>	<b>662.75</b>

## Annexure – I.17

**Restated Statement of Cash and Cash Equivalents:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Cash In Hand	0.29	0.29	0.16	0.13
Balance With Bank (in Current Accounts)	22.56	25.41	1.09	78.73
Fixed Deposit in Bank - BG Margin money	11.71	0.90	-	3.06
<b>Total</b>	<b>34.55</b>	<b>26.60</b>	<b>1.25</b>	<b>81.92</b>

## Annexure – I.18

**Restated Consolidated Statement of Short-Term Loans and Advances:***(Rs. In Lakhs)*

Particulars	As at 30 <sup>th</sup> Sep 2024	As at 31 <sup>st</sup> Mar 2024	As at 31 <sup>st</sup> Mar 2023	As at 31 <sup>st</sup> Mar 2022
Advance to suppliers	51.42	91.43	38.64	30.08
Retention Money - Receivable	294.69	231.37	238.54	143.85
<b>Total</b>	<b>346.11</b>	<b>322.81</b>	<b>277.19</b>	<b>173.93</b>

## Annexure – I.19

**Restated Consolidated Statement of Other Current Assets:**

(Rs. In Lakhs)

Particulars	As at	As at	As at	As at
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Interest accrued but not received	0.01	0.01	-	0.28
Advance to expenses	15.19	6.76	4.71	5.29
Prepaid Expenses	8.74	18.71	16.89	12.07
Balance with Revenue Authorities	20.38	1.06	10.21	-
Unbilled Revenue	76.34	70.18	201.26	70.64
Balance of Preliminary Expenses	0.84	0.84	1.68	2.52
<b>Total</b>	<b>121.50</b>	<b>97.56</b>	<b>234.74</b>	<b>90.80</b>

## Annexure – II.1

**Restated Consolidated Statement of Revenue from Operations:**

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Sale from Manufacturing Activities</b>				
- Domestic Sales	415.41	875.80	415.66	233.38
- Export Sales	-	-	-	-
<b>Total Sale from Manufacturing Activities</b>	<b>415.41</b>	<b>875.80</b>	<b>415.66</b>	<b>233.38</b>
<b>Sale from Trading Activities</b>				
- Domestic Sales	2090.14	1410.01	1415.54	1278.52
- Export Sales	-	-	-	-
<b>Total Sale from Trading Activities</b>	<b>2090.14</b>	<b>1410.01</b>	<b>1415.54</b>	<b>1278.52</b>
<b>Sale from Service Activities</b>				
- Domestic Sales	762.06	770.75	1,457.59	930.71
- Export Sales	-	-	-	-
<b>Total Sale from Service Activities</b>	<b>762.06</b>	<b>770.75</b>	<b>1,457.59</b>	<b>930.71</b>
<b>Total Revenue from Operations</b>	<b>3,267.61</b>	<b>3,056.55</b>	<b>3,288.78</b>	<b>2,442.60</b>

**Note-1: Details of Contribution from Customers**

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Turnover from Top 10 largest Customers	2,543.93	2,318.13	2,528.24	1,959.19
in % of Total Turnover	77.85%	75.84%	76.87%	80.21%
Turnover from Related Party	532.08	332.92	228.24	3.25
in % of Total Turnover	16.28%	10.89%	6.94%	0.13%

## Note-2: Details of State-wise Turnover

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Telangana	573.03	929.84	404.54	534.36
Andhra Pradesh	130.17	339.70	1,365.76	766.14
Karnataka	93.47	47.74	198.81	0.44
Odisha	121.62	25.50	0.85	(0.07)
Gujarat	929.15	379.12	202.43	361.65
Tamil Nadu	59.99	4.16	16.66	3.20
Uttar Pradesh	8.00	22.89	62.98	82.59
Madhya Pradesh	236.50	9.87	9.71	99.09
Maharashtra	490.68	256.95	215.36	19.08
Kerala	-	-	25.09	99.53
Haryana	-	-	-	0.31
Rajasthan	511.30	749.34	741.14	460.00
West Bengal	8.74	2.28	0.03	12.96
Punjab	-	-	-	0.03
Delhi	1.19	24.70	2.48	3.30
Assam	-	-	16.14	-
Jharkhand	3.26	8.62	26.77	-
Bihar	-	0.30	0.02	-
Chattisgarh	100.52	255.52	-	-
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>3,056.55</b>	<b>3,288.78</b>	<b>2,442.60</b>

## Note-3: Details of Country wise Turnover

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
India	3,267.61	3,056.55	3,288.78	2,442.60
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>3,056.55</b>	<b>3,288.78</b>	<b>2,442.60</b>

## Note-5: Details of Sector wise Turnover

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Government	31.82	-	2.48	3.30
Private	3,235.79	3,056.55	3,286.30	2,439.30
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>3,056.55</b>	<b>3,288.78</b>	<b>2,442.60</b>



## Note-6: Details of GST Number wise Turnover

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
36AACCB9409P1Z6 – Telangana – CHL	2,836.12	2,224.79	1,982.51	1,522.19
37AACCB9409P1Z4 – Andhra Pradesh – CHL	-	135.63	862.18	656.42
36AABCV1515H1ZL – Telangana – VBMPL	126.46	63.40	-	-
36AANCM4963C1ZA – Telangana - MPPL	305.03	632.73	444.10	263.98
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>3,056.55</b>	<b>3,288.78</b>	<b>2,442.60</b>

- CHL – Chiraharit Private Limited, VBMPL – Vasavi Building Materials Private Limited, MPPL- Malaxmi Polymers Private Limited

## Annexure – II.2

Restated Consolidated Statement of Other Income:

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Interest Income	0.06	0.01	10.19	0.51
Other Income	0.16	0.41	1.82	0.56
Liabilities Written off	-	0.44	2.38	4.38
<b>Total</b>	<b>0.22</b>	<b>0.87</b>	<b>14.38</b>	<b>5.44</b>

## Annexure – II.3

Restated Consolidated Statement of Cost of Materials Consumed:

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Opening Stock of Raw Material	-	-	-	-
Add: Purchase during the Years	1,962.96	1,749.31	1,464.43	1,136.63
Less: Closing Stock	-	-	-	-
<b>Cost of Material Consumed</b>	<b>1,962.96</b>	<b>1,749.31</b>	<b>1,464.43</b>	<b>1,136.63</b>

## Annexure – II.4

Restated Consolidated Statement of Work Execution Expenses:

(Rs. In Lakhs)

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Work Execution Expenses	480.96	560.61	1,264.95	843.49
<b>Total</b>	<b>480.96</b>	<b>560.61</b>	<b>1,264.95</b>	<b>843.49</b>

## Annexure – II.5

**Restated Consolidated Statement of change in Inventory:***(Rs. In Lakhs)*

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Opening Balance:</b>				
Opening Stock	246.29	182.41	102.92	72.50
Add: VBMPL Stock	-	6.41	-	-
<b>Total Opening Balance</b>	<b>246.29</b>	<b>188.82</b>	<b>102.92</b>	<b>72.50</b>
<b>Closing Stock</b>	<b>372.19</b>	<b>246.29</b>	<b>182.41</b>	<b>102.92</b>
<b>Net (Increase)/Decrease in Stocks</b>	<b>(125.89)</b>	<b>(57.47)</b>	<b>(79.49)</b>	<b>(30.42)</b>

## Annexure – II.6

**Restated Consolidated Statement of Employee Benefit Expenses:***(Rs. In Lakhs)*

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Directors Remuneration	46.68	93.36	86.40	75.00
Salaries, Wages & Bonus	192.55	311.95	262.93	155.47
PF Contributions	13.71	22.97	25.84	10.68
Provision for Gratuity	4.01	19.69	1.12	5.96
Staff Welfare	2.58	5.08	6.44	8.29
<b>Total</b>	<b>259.53</b>	<b>453.04</b>	<b>382.72</b>	<b>255.40</b>

## Annexure – II-7

**Restated Consolidated Statement of Other Expenses:***(Rs. In Lakhs)*

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Administrative &amp; Other Expenses</b>				
Travelling & Conveyance	17.19	34.03	27.97	15.90
Legal and professional charges	10.26	12.30	5.90	2.89
Rents including lease rentals	8.73	0.53	3.31	2.74
Rates and taxes	11.42	8.92	2.36	2.99
Office Maintenance	8.13	3.36	2.30	1.63
Power and fuel	6.77	13.37	10.40	2.70
Communication Expenses	1.77	3.07	2.08	0.91
Insurance	12.57	18.33	14.64	7.80
Printing & Stationery	0.47	1.30	2.55	1.68
Business Promotion Expenses	0.51	4.75	0.09	2.84
Donations	-	2.10	-	0.15
<b>Audit Fee</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Statutory Audit fee	1.65	1.75	1.40	1.40
- Tax Audit fee	0.25	0.25	0.25	0.25
- Others	0.10	0.10	0.10	0.10
Repairs and Maintenance	2.24	3.47	4.52	4.67
Loss on Sale of Assets	-	0.27	0.35	-
Miscellaneous expenses	9.81	7.26	6.43	2.10
Bad Debts	0.03	0.16	2.87	25.03
<b>Total of Administrative &amp; Other Expenses</b>	<b>91.89</b>	<b>115.33</b>	<b>87.50</b>	<b>75.79</b>
<b>Total Other Expenses</b>	<b>91.89</b>	<b>115.33</b>	<b>87.50</b>	<b>75.79</b>

## Annexure – II.8

**Restated Consolidated Statement of Finance Cost:***(Rs. In Lakhs)*

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Interest on Secured Loan	46.89	78.26	61.03	27.53
Bill Discounting Charges	5.96	9.13	-	-
Bank Charges	3.03	4.27	2.19	1.92
<b>Total</b>	<b>55.88</b>	<b>91.67</b>	<b>63.22</b>	<b>29.45</b>

## Annexure – II.9

**Restated Consolidated Statement of Provision for Taxation:***(Rs. In Lakhs)*

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Current Tax	139.56	45.28	42.61	34.20
Deferred Tax	3.07	6.69	8.58	(0.51)

## ANNEXURE - I.12

**Restated Consolidated Statement of Fixed Assets:**

Annexure – I.12 – Restated Consolidated Statement of Property, Plant &amp; Equipment (PPE) (FY 2021-2022):

(Rs. In Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 1 <sup>st</sup> April 2021	Additions during the year	Sales / Disposals	As on 31 <sup>st</sup> Mar 2022	Up to 1 <sup>st</sup> April 2021	For the Period	Adjustmen ts	Up to 31 <sup>st</sup> Mar 2022	As on 31 <sup>st</sup> Mar 2022	As on 31 <sup>st</sup> Mar 2021
Lease hold improvements	2.54	-	-	2.54	0.47	0.20	-	0.67	1.88	2.07
Plant and machinery	20.00	6.83	-	26.84	7.20	2.80	-	9.99	16.84	12.81
Computers	9.88	1.21	-	11.09	6.39	2.30	-	8.68	2.41	3.50
Office Equipment	2.28	-	-	2.28	1.30	0.44	-	1.74	0.54	0.98
Vehicles	22.94	1.83	-	24.77	7.99	4.10	-	12.09	12.69	14.95
<b>TOTAL - A</b>	<b>57.65</b>	<b>9.88</b>	<b>-</b>	<b>67.52</b>	<b>23.34</b>	<b>9.82</b>	<b>-</b>	<b>33.17</b>	<b>34.36</b>	<b>34.31</b>

Annexure – I.12 – Restated Consolidated Statement of Property, Plant &amp; Equipment (PPE) (FY 2022-2023):

(Rs. In Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 1 <sup>st</sup> April 2022	Additions during the year	Sales / Disposals	As on 31 <sup>st</sup> Mar 2023	Up to 1 <sup>st</sup> April 2022	For the Period	Adjustmen ts	Up to 31 <sup>st</sup> Mar 2023	As on 31 <sup>st</sup> Mar 2023	As on 31 <sup>st</sup> Mar 2022
Lease hold improvements	2.54	-	-	2.54	0.67	0.18	-	0.85	1.70	1.88
Plant and machinery	26.84	188.00	1.18	213.66	9.99	7.96	0.69	17.26	196.40	16.84
Computers	11.09	10.52	-	21.61	8.68	4.64	-	13.32	8.29	2.41
Office Equipment	2.28	1.98	-	4.26	1.74	0.76	-	2.50	1.77	0.54
Vehicles	24.77	-	3.11	21.67	12.09	3.34	2.39	13.04	8.63	12.69
Buildings	-	259.23	-	259.23	-	7.54	-	7.54	251.69	-
Land	-	137.93	-	137.93	-	-	-	-	137.93	-
Furniture	-	0.65	-	0.65	-	0.03	-	0.03	0.62	-
<b>TOTAL - A</b>	<b>67.52</b>	<b>598.32</b>	<b>4.29</b>	<b>661.56</b>	<b>33.17</b>	<b>24.46</b>	<b>3.09</b>	<b>54.54</b>	<b>607.02</b>	<b>34.36</b>

Annexure – I.12 – Restated Consolidated Statement of Property, Plant & Equipment (PPE) (FY 2023-2024)  
(Rs. In Lakhs)

(Rs. In Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 1 <sup>st</sup> April 2023	Additions during the year	Sales / Disposals	As on 31 <sup>st</sup> Mar 2024	Up to 1 <sup>st</sup> April 2023	For the Period	Adjustments	Up to 31 <sup>st</sup> Mar 2024	As on 31 <sup>st</sup> Mar 2024	As on 31 <sup>st</sup> Mar 2023
Lease hold improvements	2.54	-	-	2.54	0.85	0.16	-	1.01	1.54	1.70
Plant and machinery	213.66	11.16	2.38	222.44	17.26	11.67	-	28.93	193.51	196.40
Computers	21.61	2.98	-	24.59	13.32	6.28	-	19.60	4.99	8.29
Office Equipment	4.26	3.58	-	7.84	2.50	2.08	-	4.58	3.26	1.77
Vehicles	21.67	-	7.85	13.81	13.04	2.14	6.34	8.84	4.97	8.63
Buildings	259.23	2.08	-	261.32	7.54	8.28	-	15.83	245.49	251.69
Land	137.93	-	-	137.93	-	-	-	-	137.93	137.93
Furniture	0.65	0.33	-	0.98	0.03	0.06	-	0.10	0.89	0.62
<b>TOTAL - A</b>	<b>661.89</b>	<b>20.13</b>	<b>10.23</b>	<b>671.46</b>	<b>54.54</b>	<b>30.67</b>	<b>6.34</b>	<b>78.87</b>	<b>592.58</b>	<b>607.02</b>

Annexure – I.12 – Restated Consolidated Statement of Property, Plant & Equipment (PPE) for the period ended 30<sup>th</sup> September, 2024: (Rs. In Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 1 <sup>st</sup> April 2021	Additions during the year	Sales / Disposals	As on 31 <sup>st</sup> Mar 2022	Up to 1 <sup>st</sup> April 2021	For the Period	Adjustments	Up to 31 <sup>st</sup> Mar 2022	As on 31 <sup>st</sup> Mar 2022	As on 31 <sup>st</sup> Mar 2021
Lease hold improvements	2.54	-	-	2.54	1.01	0.08	-	1.09	1.46	1.54
Plant and machinery	222.44	17.75	-	240.19	28.93	6.70	-	35.62	204.56	193.51
Computers	24.59	3.92	-	28.51	19.60	3.54	-	23.14	5.37	4.99
Office Equipment	7.84	0.82	-	8.66	4.58	0.54	-	5.12	3.54	3.26
Vehicles	13.81	0.07	-	13.88	8.84	1.07	-	9.91	3.97	4.97
Buildings	261.32	1.33	-	262.65	15.83	4.15	-	19.98	242.67	245.49
Land	137.93	-	-	137.93	-	-	-	-	137.93	137.93
Furniture	0.98	-	-	0.98	0.10	0.03	-	0.13	0.86	0.89
<b>TOTAL - A</b>	<b>671.46</b>	<b>23.89</b>	<b>-</b>	<b>695.35</b>	<b>78.87</b>	<b>16.12</b>	<b>-</b>	<b>94.99</b>	<b>600.36</b>	<b>592.58</b>

## ANNEXURE – VI

**1) Restated Consolidated Statement of Accounting & Other Ratios, as per SEBI (ICDR) Regulations, 2018:**  
*(Rs. In Lakhs)*

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Revenue from Operations (A)</b>	<b>3,267.61</b>	<b>3056.55</b>	<b>3288.78</b>	<b>2442.60</b>
<b>Net Profit as Restated (B)</b>	<b>381.08</b>	<b>60.34</b>	<b>42.05</b>	<b>93.62</b>
Add: Depreciation	16.12	30.67	24.46	9.82
Add: Interest on Loan	55.88	91.67	63.22	29.45
Add: Income Tax	145.30	53.91	53.33	34.26
Less: Other Income	0.22	0.87	14.38	5.44
<b>EBITDA (C)</b>	<b>598.16</b>	<b>235.73</b>	<b>168.68</b>	<b>161.71</b>
<b>EBITDA Margin (in %) (C/A)</b>	<b>18.31%</b>	<b>7.71%</b>	<b>5.13%</b>	<b>6.62%</b>
<b>Net Worth as Restated (D)</b>	<b>721.28</b>	<b>331.45</b>	<b>257.17</b>	<b>189.86</b>
<b>Return on Net worth (in %) as Restated (B/D)</b>	<b>52.83%</b>	<b>18.20%</b>	<b>16.35%</b>	<b>49.31%</b>
Equity Share at the end of year/period (in Nos.) (E)	25,00,000	25,00,000	25,00,000	25,00,000
Weighted No. of Equity Shares (G)	25,00,000	25,00,000	25,00,000	25,00,000
<b>Equity Share at the end of year/period (in Nos.) (F)</b>	<b>4,00,00,000</b>	<b>4,00,00,000</b>	<b>4,00,00,000</b>	<b>4,00,00,000</b>
- (Post Bonus after restated period)				
<b>Earnings per Equity Share as Restated (B/G)</b>	<b>15.24</b>	<b>2.41</b>	<b>1.68</b>	<b>3.74</b>
- Basic & Diluted (Pre-Bonus)				
<b>Earnings per Equity Share (B/F)</b>	<b>0.95</b>	<b>0.15</b>	<b>0.11</b>	<b>0.23</b>
- Basic & Diluted (Post Bonus restated period)				
<b>Net Asset Value per Equity share as Restated (D/E)</b>	<b>28.85</b>	<b>13.26</b>	<b>10.29</b>	<b>7.59</b>
<b>Net Asset Value per Equity share (D/F)</b>	<b>1.80</b>	<b>0.83</b>	<b>0.64</b>	<b>0.47</b>
- (Post Bonus after restated period)				

**Note:**

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net Worth = Equity Share Capital + Reserve and Surplus (including P&amp;L surplus) - Revaluation Reserve, If any

Net asset value/Book value per share (₹) = Net worth / No. of equity shares outstanding at the end of FY

The Company does not have any revaluation reserves or extra-ordinary items.

The figures disclosed above are based on the Restated Financial Statements of the Company

\* On 09-10-2024 i.e., after Restated Period, Company has allotted 3,75,00,000 Equity Shares as a Bonus Issue in the ratio of (15:1) i.e., Fifteen Equity Share for every One fully paid-up equity share held by existing shareholders of Face Value Rs. 1/- each, for which ratio has been calculated separately with retrospective effect as mentioned above.



1) Restated Consolidated Statement of Other Accounting Ratios, as per Companies Act, 2013:

Particulars	Numerator	Denominator	30 <sup>th</sup> Sep-24	31 <sup>st</sup> Mar-24	Variation	'Reason for more than 25% Variance (Note-1)
a) Current Ratio (in Times)	Current assets	Current liabilities	1.41	1.26	11.72%	* Data as on 30/09/2024 are for six months only and not annualised, so it's not truly comparable.
b) Debt-Equity Ratio (in Times)	Total debt	Shareholder's equity	2.59	4.92	-47.34%	
c) Debt Service Coverage Ratio (in Times)	EBITDA	Interest + Instalments	4.96	1.66	198.16%	
d) Return on Equity Ratio (in %)	Net profits after taxes	Average Shareholder's equity	52.83%	18.20%	190.23%	
e) Inventory turnover ratio (in Times)	Revenue	Average Inventory	790.30%	1061.76%	-25.57%	
f) Trade Receivables turnover ratio (in Times)	Revenue	Average trade receivables	2.40	3.46	-30.61%	
g) Trade payables turnover ratio (in Times)	Purchases	Average trade payables	6.19	7.89	-21.53%	
h) Net capital turnover ratio (in Times)	Revenue from Operations	Average Working Capital	5.94	8.98	-33.85%	
i) Net profit ratio (in %)	PAT	Revenue from operations	11.66%	1.97%	490.79%	
j) Return on Capital employed (in %)	Earning before interest and taxes	Capital employed	22.49%	10.50%	114.21%	
k) Return on investment	Interest Income	Investments	NA	NA	NA	

Particulars	Numerator	Denominator	31- Mar-24	31- Mar-23	Variation	Reason for more than 25% Variance (Note-2)
a) Current Ratio (in Times)	Current assets	Current liabilities	1.26	1.29	-2%	
b) Debt-Equity Ratio (in Times)	Total debt	Shareholder's equity	4.92	6.19	-21%	
c) Debt Service Coverage Ratio (in Times)	EBITDA	Interest + Instalments	1.66	1.52	9%	
d) Return on Equity Ratio (in %)	Net profits after taxes	Average Shareholder's equity	18.20%	16.35%	11%	
e) Inventory turnover ratio (in Times)	Revenue	Average Inventory	1061.76%	1913.13%	-45%	The inventory held at the end is higher than last year
f) Trade Receivables turnover ratio (in Times)	Revenue	Average trade receivables	3.46	4.75	-27%	Revenue from operations has increased from last year
g) Trade payables turnover ratio (in Times)	Purchases	Average trade payables	7.89	12.76	-38%	Trade Payables have been reduced during the year.
h) Net capital turnover ratio (in Times)	Revenue from Operations	Average Working Capital	8.98	9.46	-5%	
i) Net profit ratio (in %)	PAT	Revenue from operations	1.97%	1.28%	54%	Revenue from operations has increased from last year
j) Return on Capital employed (in %)	Earning before interest and taxes	Capital employed	10.50%	8.58%	22%	
k) Return on investment	Interest Income	Investments	N/A	N/A	N/A	The Company has not invested any funds except on its subsidiary companies

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Variation	Reason for more than 25% Variance (Note-3)
a) Current Ratio (in Times)	Current assets	Current liabilities	1.29	1.51	-14.30%	
b) Debt-Equity Ratio (in Times)	Total debt	Shareholder's equity	6.19	6.69	-7.50%	
c) Debt Service Coverage Ratio (in Times)	EBITDA	Interest + Instalments	1.52	5.68	-73.20%	Due to Increase of Revenue & Debtors holding period
d) Return on Equity Ratio (in %)	Net profits after taxes	Average Shareholder's equity	16.35%	49.31%	-66.84%	Due to Increase of Employee Benefit Expenses & Finance Cost
e) Inventory turnover ratio (in Times)	Revenue	Average Inventory	1913.13%	2257.57%	-15.26%	
f) Trade Receivables turnover ratio (in Times)	Revenue	Average trade receivables	4.75	3.97	19.59%	
g) Trade payables turnover ratio (in Times)	Purchases	Average trade payables	12.76	12.34	3.44%	
h) Net capital turnover ratio (in Times)	Revenue from Operations	Average Working Capital	9.43	13.01	-27.52%	Working Capital has been increased during the year
i) Net profit ratio (in %)	PAT	Revenue from operations	1.28%	3.83%	-66.64%	Due to Increase of Employee Benefit Expenses & Finance Cost
j) Return on Capital employed (in %)	Earning before interest and taxes	Capital employed	8.85%	10.77%	-17.84%	
k) Return on investment	Interest Income	Investments	NA	NA	NA	The Company has not invested any funds except on its subsidiary companies

## ANNEXURE – VII

**Restated Consolidated Statement of Capitalization:***(Rs. In Lakhs)*

Particulars	Pre-Issue	Post Issue as
	30-09-2024	adjusted with Proposed Issue*
<b>Debt:</b>		
Short-term Debt	1014.35	1014.35
Long-term Debt	853.63	853.63
<b>Total Debt</b>	<b>1,867.98</b>	<b>1,867.98</b>
<b>Shareholders' Funds:</b>		
Equity Share Capital	25.00	548.00
Reserves and Surplus	696.28	4021.28
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>721.28</b>	<b>4569.28</b>
<i>Long-term Debt/ Shareholders' Funds</i>	<i>1.18</i>	<i>0.19</i>
<i>Total Debt / Shareholders Fund</i>	<i>2.59</i>	<i>0.41</i>

\* Assuming Full Allotment of 1,48,00,000 Equity Shares having face value of Rs. 1/- each at issue price of Rs. 26/- each

## ANNEXURE – VIII

**Restated Consolidated Statement of Tax Shelter:***(Rs. In Lakhs)*

Particulars	For the period ended	For the year ended		
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Profit Before Tax as per books of accounts – Chiraharit Limited	538.97	148.18	160.57	122.85
Profit Before Tax as per books of accounts - Malaxmi Polymers Private Limited	-	-	-	5.02
Profit Before Tax as per books of accounts - Vasavi Building Materials Private Limited	9.96	6.63	-	-
<b>Profit Before Tax as per books of accounts -(A)</b>	<b>548.93</b>	<b>154.81</b>	<b>160.57</b>	<b>127.87</b>
-- Normal Tax rate	24.20%	24.20%	24.20%	24.20%
Education Cess	4.00%	4.00%	4.00%	4.00%
-- Normal Tax rate	25.17%	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	15.60%	15.60%	19.24%	19.24%
<b>Permanent differences</b>				
Provision for Gratuity - Disallowed U/s 40A (7)	4.01	19.69	7.00	5.96
Loss on Sale of Asset - Disallowed U/s 37	-	0.27	-	-
Donation Disallowances	-	2.10	-	-
Non deduction of TDS on Expenses	0.41	0.41	0.41	0.02
<b>Total (B)</b>	<b>4.41</b>	<b>22.46</b>	<b>7.41</b>	<b>5.99</b>
<b>Timing Differences</b>				
Depreciation as per Books of Accounts	8.29	15.11	11.71	9.82
Depreciation as per Income Tax	6.70	12.07	9.99	7.79
Difference between tax depreciation and book depreciation	<b>1.59</b>	<b>3.04</b>	<b>1.72</b>	<b>2.03</b>
Land Value	-	-	-	-
Foreign income included in the statement	-	-	-	-
Less: TDS Deduction Allowed	(0.41)	(0.41)	(0.41)	
<b>Total (C)</b>	<b>1.18</b>	<b>2.64</b>	<b>1.32</b>	<b>2.03</b>
<b>Net Adjustments (D = B+C)</b>	<b>5.60</b>	<b>25.10</b>	<b>8.72</b>	<b>7.99</b>
<b>Total Income (E = A+D)</b>	<b>554.52</b>	<b>179.91</b>	<b>169.29</b>	<b>135.89</b>
Brought forward losses set off (Depreciation)	-	-	-	-
Tax effect on the above (F)	-	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>554.52</b>	<b>179.91</b>	<b>169.29</b>	<b>135.89</b>
Tax Payable for the year	139.56	45.28	42.61	34.20
Tax payable as per MAT	86.51	28.07	32.57	26.14
Tax expense recognised	<b>139.56</b>	<b>45.28</b>	<b>42.61</b>	<b>34.20</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

**ANNEXURE – IX****Restated Consolidated Statement of Related Parties & Transactions:**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the key managerial personnel/Entity	Relationship
B. Pavan Kumar	Director/KMP
Y. Tejaswini	Director/KMP
G.V. Ramana Reddy	Director/KMP
V. Lakshmi Kantha Rao	Director/KMP
Malaxmi Polymers Private Limited	Subsidiary Company
Vasavi Building Materials Private Limited	Wholly Owned Subsidiary
Malaxmi Infra Ventures (India) Private Limited	Common Director/ Shareholder with significant influence
XEMX Projects Private Limited	Common Director/ Shareholder with significant influence
Dharmavana Nature Ark (DNA)	Common Director/ Shareholder with significant influence

**Transactions with Related Parties:***(Rs. In Lakhs)*

Particulars	For the period / year ended			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Remuneration paid to Directors</b>				
B. Pavan Kumar	22.95	45.90	45.00	35.00
G V Ramana Reddy	13.23	26.46	20.40	18.00
V. Lakshmi Kantha Rao	10.50	21.00	21.00	22.00
<b>Total</b>	<b>46.68</b>	<b>93.36</b>	<b>86.40</b>	<b>75.00</b>
<b>Sale with related parties</b>				
Malaxmi Infra Ventures (India) Private Limited	-	0.13	0.37	3.25
Dharmavana Nature Ark (DNA)	154.18	332.79	180.85	-
XEMX Projects Private Limited	377.90	-	-	-
Solika Energy Private Limited *	-	-	47.01	-
<b>Total</b>	<b>532.08</b>	<b>332.92</b>	<b>228.24</b>	<b>3.25</b>
<b>Purchases</b>				
Malaxmi Infra Ventures (India) Private Limited – Goods	-	-	3.22	159.57
Malaxmi Infra Ventures (India) Private Limited – Services	-	2.85	-	179.64
<b>Total</b>	<b>-</b>	<b>2.85</b>	<b>3.22</b>	<b>339.22</b>
<b>Advance Received for Sale of Goods</b>				
Malaxmi Infra Ventures (India) Private Limited	-	-	-	65.20
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65.20</b>
<b>Advance Received for Purchase of Goods</b>				
Malaxmi Infra Ventures (India) Private Limited	-	4.15	-	-
<b>Total</b>	<b>-</b>	<b>4.15</b>	<b>-</b>	<b>-</b>
<b>Unsecured Loans Received/(Paid)</b>				
- Tejaswini Yarlagadda	-	-	-	300.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300.00</b>
<b>Reimbursement of expenses</b>				
Malaxmi Infra Ventures (India) Private Limited	-	1.57	15.37	9.71
B. Pavan Kumar	4.09	7.68	15.08	-
G V Ramana Reddy	0.61	3.84	10.91	0.84
V. Lakshmi Kantha Rao	2.41	5.06	9.16	5.13

Particulars	For the period / year ended			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Total</b>	<b>7.11</b>	<b>18.15</b>	<b>50.51</b>	<b>15.68</b>
<b>Collateral issued</b>				
Malaxmi Infra Ventures (India) Private Limited	531.30	-	-	-
Malaxmi Property Ventures Private Limited (Merged with Malaxmi Infra Ventures (India) Private Limited)	1,150.00	1,150.00	400.00	400.00
<b>Total</b>	<b>1,681.30</b>	<b>1,150.00</b>	<b>400.00</b>	<b>400.00</b>
<b>Investment</b>				
Malaxmi Polymers Private Limited	-	33.00	-	-
Vasavi Building Materials Private Limited	-	54.39	-	-
<b>Total</b>	<b>-</b>	<b>87.39</b>	<b>-</b>	<b>-</b>
<b>Closing Balance of Related Parties</b>				
B. Pavan Kumar, Expenses Payable	-	0.37	0.25	0.49
Y. Tejaswini, Loan Repayable	438.50	438.50	438.50	438.50
V. Lakshmi Kantha Rao	-	0.17	0.01	0.26
G V Ramana Reddy	-	-	0.58	0.49
Malaxmi Infra Ventures (India) Private Limited, Unsecured Loan	300.00	300.00	300.00	300.00
Malaxmi Infra Ventures (India) Private Limited, Advance for purchase of Goods	-	-	0.02	-
Malaxmi Infra Ventures (India) Private Limited, Trade Payable	-	10.25	8.37	-
Dharmavana Nature Ark (DNA), Trade Receivables	41.96	68.05	17.91	-
XEMX Projects Private Limited , Trade Receivables	250.30	-	-	-
Solika Energy Private Limited, Trade Receivables	-	-	57.06	2.86
<b>Total</b>	<b>1030.76</b>	<b>817.34</b>	<b>825.54</b>	<b>742.60</b>

\*One of the promoters was a shareholder of Solika Energy Private Limited, holding 24.08% of its share capital. The promoter exited Solika Energy Private Limited on November 21, 2023. Accordingly, related party transactions have been reported for the relevant period up to the date of exit.

\*Malaxmi Property Ventures Private Limited provided a collateral guarantee to Chiraharit Limited. Subsequently, Malaxmi Property Ventures Private Limited merged with Malaxmi Infra Ventures Private Limited, effective 1st April 2022. Hence, related party transactions have been reported in accordance with the merger and its effective date.



## ANNEXURE –X

**Restated Consolidated Statement of Dividends:**

(Rs. In Lakhs)

Particulars	For the period / year ended			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
No Dividend paid till date	N/A	N/A	N/A	N/A

## ANNEXURE –XI

**Restated Consolidated Statement of Contingent Liabilities & Commitments:**

(Rs. In Lakhs)

Particulars	For the period / year ended			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
<b>Contingent Liabilities</b>				
Claims against the company not acknowledged as debt	-	-	-	-
Corporate Guarantees Given	-	-	-	-
<b>Bank Guarantees Given</b>				
Tata Power Solar Systems Ltd	8.37	8.37	-	-
The Registrar Institute of Information Technology	1.36	-	-	-
ORB Energy Pvt Ltd	0.70	-	-	-
Other money for which the company is contingently liable	-	-	-	-
<b>Commitments</b>				
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
Other commitments (specify nature).	-	-	-	-

## ANNEXURE –XII

**Restated Consolidated Statement of Details of Expenditure in foreign currency during the financial years:**

(Rs. In Lakhs)

Particulars	For the period / year ended			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Earnings in Foreign Currencies	-	-	-	-
Expenditure in Foreign Currencies	9.06	3.91	5.09	-

## ANNEXURE - XIII

**Restated Consolidated Statement of Earnings Per Share:**

(Rs. In Lakhs)

Particulars	For the period / year ended			
	30 <sup>th</sup> Sep 2024	31 <sup>st</sup> Mar 2024	31 <sup>st</sup> Mar 2023	31 <sup>st</sup> Mar 2022
Profit After Taxation	381.08	60.34	42.05	93.62
<b>Basic</b>				
Number of Shares outstanding	25,00,000	25,00,000	25,00,000	25,00,000
Earnings per Share	15.24	2.41	1.68	3.74

**Annexure – XIV**

**Restated Consolidated Financial Statements - Other Information:**

Previous year figures have been regrouped or rearranged wherever necessary to confirm to this year's classification. Debit and Credit Balances are subject to confirmation.

**For G.P. ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No. 006734S**

**Sd/-**

**(CA K ABHINAV)**  
**PARTNER**  
**M. No. 242972**  
**UDIN: 25242972BMHXYR8202**  
**Place : Hyderabad**  
**Date: 25<sup>th</sup> Mar 2025**

**On Behalf of Board**  
**CHIRAHARIT LIMITED**

**Sd/-**  
**(Y. Tejaswini)**  
**Director**  
**DIN: 00232268**

**Sd/-**  
**(G. Rama Chandra Rao)**  
**Chief Financial Officer**

**Sd/-**  
**(B. Pavan Kumar)**  
**Managing Director**  
**DIN: 03614791**

**Sd/-**  
**(DVK Dixitulu)**  
**Company Secretary**  
**Membership No. A-52329**

## FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited/Restated Financial Statements and other documents of the issuer Company **M/s Chiraharit 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 financial indebtedness of the company as at **30<sup>th</sup> September 2024** are as mentioned below:

(Rs. In Lakhs)

Nature of Borrowing	Outstanding as on September 30, 2024	Outstanding as on March 31, 2024
A. Secured Loan		
-Fund Based	1054.71	891.53
-Non-Fund Based	10.43	8.37
B. Unsecured Loan	813.27	738.50
<b>Total</b>	<b>1878.41</b>	<b>1638.40122</b>

### A. Secured Loans

(Rs. In Lakhs)

#	Name of Lender	Date of Sanction	Purpose	Repayment Terms	Rate of Int.	Sanctioned Amount	Outstanding as on 30/09/2024	Outstanding as on 31/03/2024
<b>Malaxmi Polymers Pvt Ltd</b>								
1	ICICI Bank Term Loan – 603090014507	08-02-2021	Equipment Loan	54 Months	10% p.a.	63.89	8.28	15.38
2	ICICI Bank Term Loan - 603090018215	08-02-2021	Equipment Loan	51 Months	10% p.a.	76.00	10.43	19.37
3	ICICI Bank Term Loan - 603090014245	08-02-2021	Equipment Loan	54 Months	10% p.a.	10.11	1.31	2.43
4	ICICI Bank Term Loan - 603090023783	05-09-2023	Equipment Loan	51 Months	10% p.a.	28.20	11.06	14.38
5	ICICI Bank Term Loan - 603090022334	05-09-2023	Equipment Loan	54 Months	10% p.a.	21.80	9.29	11.71
6	Over Draft Limit from ICICI	21-08-2024	Working Capital	Renewal in 12 months	10% p.a.	331.30	209.71	176.70
7	Current maturities of long term debt	08-02-2021	Equipment Loan		10% p.a.	-	64.78	50.58
<b>Chiraharit Limited</b>								
8	Dropline Over Draft Limit from ICICI	26-10-2023	Working Capital	Renewal in 12 months	9.75% p.a.	450.00	405.00	384.29
9	Cash Credit from ICICI	29-04-2022	Working Capital	Renewal in 12 months	10% p.a.	600.00	334.76	216.68
<b>Vasavi Building Materials Pvt Ltd</b>								
10	Over Draft Limit from ICICI	25-07-2024	Working Capital	Renewal in 12 months	9.75% p.a.	47.00	0.10	-
<b>Total of Fund Based Secured Loan</b>						<b>1581.3</b>	<b>1054.71</b>	<b>891.53</b>

**Non-Fund Based:****(Rs. In Lakhs)**

Name of Lender	Date of Sanction	Purpose	Sanctioned Amount	Outstanding as on 30/09/2024	Outstanding as on 31/03/2024
<b>Chiraharit Limited</b>					
ICICI Bank	11-01-2022	Bank Guarantee	100.00	10.43	8.37
<b>Total of Non-Fund Based Limits</b>			<b>100.00</b>	<b>10.43</b>	<b>8.37</b>
<b>Total Limits (Fund Based + Non-Fund Based)</b>				<b>1065.14</b>	<b>899.89</b>

**Terms of Secured Loan:****Security offered as per current sanction letter:****1. ICICI Bank Term Loan – 603090014507 – (Sanction letter No: CAL82640553251, Date: 08-02-2021)****Primary Security :**

1. Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
3. Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
4. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a.**2. ICICI Bank Term Loan – 603090018215 - (Sanction letter No: CAL82640553251, Date: 08-02-2021)****Primary Security :**

1. Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
3. Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
4. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a**3. ICICI Bank Term Loan – 603090014245 - (Sanction letter No: CAL82640553251, Date: 08-02-2021)****Primary Security :**

1. Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
3. Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
4. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest** : 10% p.a.

**4. ICICI Bank Term Loan – 603090023783 – (Sanction Letter No: BLG//P/176496, Dated: 05-09-2023)****Primary Security :**

1. Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
3. Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
4. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest : 10% p.a.****5. ICICI Bank Term Loan – 603090022334 (Sanction Letter No: BLG//P/176496, Dated: 05-09-2023)****Primary Security :**

1. Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
3. Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
4. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of Interest : 10 % p.a.****6. ICICI Bank Over Draft Limit : (Sanction Letter No: BLG//P/182318, Dated: 21-08-2024)****Primary Security :**

1. Extension of Exclusive charge in favor of the Bank by way of hypothecation of the Firm's entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Extension of Exclusive charge on fixed assets (Plant & Machinery) on both present and future save and except vehicles and other assets specifically financed by other financiers
3. Factory Land of 2903 Sq mtrs owned by Malaxmi Polymers Pvt Ltd situated at Plot No.42, plastic park mankhal, Tummaloor village, Maheshwaram Mandal, Ranga Reddy District, Telangana
4. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda iii) Lakshmi Kantha Rao Vissamsetty

**Rate of interest : 10% p.a.****8. ICICI Bank Drop Line Over Draft Limit: (Sanction Letter No: BLG//P/182318, Dated: 26-10-2023)****Primary Security :**

1. Extension of exclusive charge in favor of the Bank by way of hypothecation of the firms entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda
3. Extension of equitable mortgage in a form and manner satisfactory to the Bank, on the property as described in the table below and having aggregate value of Rs.165.143 million (residual value available for current limits - Rs.87Mn) being used as Self Occupied Commercial property to be done prior to disbursement of limits.

Type	Location	Value
Commercial property (Owned by M/s Malaxmi Infra Ventures (India) Private Limited)	Survey No.157 Part, Malaxmi Courtyard, H.No.2-65/1/SN-157/Part-2, Westside Part, Near Niharika Exotica, Lanco Hills Road, Khajaguda Village, Serilingampally Mandal, Ranga Reddy, Hyderabad, Telangana - 500019	Rs.165.143 million (residual value available for proposed limits - Rs.87Mn)
<b>Total</b>		<b>Rs.165.143 million (residual value available for proposed limits - Rs.87Mn)</b>

4. Two Recourse Cheques in favor of ICICI Bank Limited A/c M/s.Chiraharit Private Limited. One for facility amount and one for two quarters interest on enhanced amount assuming full utilization

**Rate of interest** : 9.75% p.a.

**Note:** This credit facility has been renewed vide sanction letter no. **BLGHYDCAL201425 & dated 22<sup>nd</sup> October 2024** & it is validity till 21<sup>st</sup> October 2025. All the terms of sanction under the original sanction letter remains unaltered.

#### 9. ICICI Bank Cash Credit : Sanction Letter No CAL1181706314344, Dated: 29-04-2022)

**Primary Security** :

1. Exclusive charge in favor of the Bank by way of hypothecation of the firms entire stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank.
2. Unconditional and irrevocable personal guarantees of i) Mr. Pavan Kumar Bang ii) Mrs. Tejaswini Yarlagadda
3. Extension of Equitable mortgage, in a form and manner satisfactory to the Bank, on the property as described in the table below and having aggregate value of ` Rs.122 million being used as Self Occupied Commercial property to be done prior to disbursement of limits.

Type	Location	Value
Commercial property (Owned by M/s Malaxmi Property Ventures Private Limited)	Commercial Property Malaxmi Courtyard, Survey No 157 Khajaguda Village, Hyderabad Hyderabad HYDERABAD TELANGANA -500018	Rs.122 Mn
<b>Total</b>		<b>Rs.122 Mn</b>

4. Two Recourse Cheques in favor of ICICI Bank Limited A/c M/s.Chiraharit Pvt Ltd. One for facility amount and one for two quarters interest on enhanced amount assuming full utilization.

**Rate of interest** : 10 % p.a.

Corporate Guarantee : Nil

Major Covenants, if any : Nil

Any Non-compliance of sanctioned terms : Nil.

**Note:** This credit facility has been renewed vide sanction letter no. **BLGHYDCAL147179 & dated 08<sup>th</sup> May 2024** & it is validity till 07<sup>th</sup> May 2025. All the terms of sanction under the original sanction letter remains unaltered.

#### 10. ICICI Bank Over Draft Limit: (Sanction Letter No: CAL152207788639, Dated: 25-07-2024)

**Primary Security** :

3. Personal Guarantee of Mr. PAVAN KUMAR BANG and Mrs. Tejaswini Yarlagadda to be obtained prior to disbursement
4. Extension of Equitable mortgage of the property located at Survey No.157 Part, Malaxmi Courtyard, Khajaguda Village, Serilingampally Mandal, Ranga Reddy, Hyderabad, Telangana 500104



**B. Unsecured Loans:***(Rs. In Lakhs)*

No	Name of Lender	Purpose	Re-payment Terms	ROI	Outstanding as on September 30, 2024	Outstanding as on March 31, 2024
1.	ICICI Bank Ltd	Working Capital	48 Months	15.10%	74.77	Nil
2.	Dr Y Tejaswini	Working capital & Factory Land			438.50	438.50
3.	Malaxmi Infra Ventures (India) Pvt Ltd	Factory Building construction			300.00	300.00
<b>Total of Unsecured Loan</b>					<b>813.27</b>	<b>738.50</b>

For **G P Associates**  
Chartered Accountants  
FRN: 006734S

Sd/-

**CA K Abhinav**  
Designation: Partner  
Membership Number: 242972  
**Place: Hyderabad**  
**Date: 25/03/2025**  
**UDIN: 25242972BMHXYZ9482**

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the six months period ended 30<sup>th</sup> September 2024 and for the financial year ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 including the notes and significant accounting policies thereto and the reports thereon. These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated March 04, 2025 which is included in this Draft prospectus under the section titled **“Financial Information as Restated”** beginning on page 180 of this Draft prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*You should also see the section titled **“Risk Factors”** beginning on page 23 of this Draft prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under **“Risk Factors”** and **“Forward Looking Statements”** beginning on pages 23 and 15 respectively, and elsewhere in this Draft Prospectus.*

*Accordingly, the degree to which the financial statements in this Draft Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled **“Certain Conventions, Use of Financial, Industry and Market Data and Currency Presentation”** beginning on page 13 of this Draft Prospectus.*

### BUSINESS OVERVIEW

Our company was originally incorporated as a Private Limited Company under the name and style of **“Brahmani Ventures Private Limited”** in accordance with the Companies Act, 1956 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Andhra Pradesh on August 04, 2006 with the corporate identification number (CIN) being U45101AP2006PTC050818. Later, the name of the Company has been changed to **“Chiraharit Agro Farms Private Limited”** in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on September 18, 2015 with the corporate identification number (CIN) being U01403TG2006PTC050818. Further, the name of the Company was once again changed to **“Chiraharit Private Limited”** in accordance with the Companies Act, 2013 pursuant to a Certificate of Incorporation issued by Registrar of Companies, Hyderabad, Telangana on May 30, 2016 with the corporate identification number (CIN) being U29100TG2006PTC050818. Subsequently, our company was converted into Public Limited Company under the Companies Act, 2013 and the name of our Company was changed to **“Chiraharit Limited”** vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 02, 2024, bearing Corporate Identification Number U29100TG2006PLC050818, issued by Central Processing Centre.

The name **Chiraharit**, derived from the Sanskrit words **“Chira” (Always)** and **“Harit” (Green)**, reflects our unwavering commitment to sustaining the world's greenery through efficient water transportation and construction of green energy projects. With a focus on seamless water movement via pipeline systems, we ensure that wherever water flows, life and verdant growth follow. Guided by our vision of keeping the world **“Always Green,”** we are dedicated to efficient water transportation and application. By integrating cutting-edge technology and engineering excellence, we enable efficient water utilization, fostering sustainability and resilience in communities and industries. Through our efforts, we aim to ensure a greener, more sustainable future for generations to come.

Our Company specialize in turnkey EPC (Engineering, Procurement and Construction) projects focusing on two broad segment viz Water-based and Renewable Energy-based. With a commitment to excellence, we deliver innovative and comprehensive solutions tailored to meet the unique challenges of each project, ensuring optimal performance and sustainability.

In the Water-based segment, our focus is on the efficient and reliable movement of piped water in pressurized applications. Our expertise in water movement extends across diverse sub-sectors, including piped irrigation for agriculture, drinking water supply projects for Industrial and residential townships, large-scale pressurized irrigation networks, water based solar module cleaning systems and landscape irrigation.

Whether it's a large solar power project, a small farmer, or a group housing project, our customers depend on us to deliver the water that touches every aspect of their lives. Farmers rely on us for efficient irrigation, solar project operators for cleaning solar modules, cement factories for dust suppression, and residential housing projects for a reliable water supply. Across diverse applications, one thing remains constant, i.e. the need for clean and safe water, delivered with precision and reliability and that is what we excel at providing.

Our Renewable Energy-based segment is focused on the construction of Compressed Bio-Gas (CBG) plants. In this domain, we provide turnkey execution of all civil, mechanical, and pumping systems, ensuring seamless project delivery. As a recent addition to our portfolio, this segment represents our commitment to sustainable energy solutions and technical excellence.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e. September 30, 2024 as disclosed in this Draft Prospectus/ Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on Bombay Stock Exchange of India Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on Month January 11, 2025 proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on January 13, 2025 authorized the Initial Public Offer.
3. Our company has allotted 3,75,00,000 equity shares as bonus shares in the ratio of 15:1 (fifteen equity shares for every one equity share) on October 09, 2024

### **KEY FACTORS AFFECTING OUR RESULTS OF OPERATION**

1. Covid-19 like pandemic.
2. Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
3. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
4. Our ability to retain and hire key employees or maintain good relations with our workforce;
5. Impact of any reduction in sales of our services/products;
6. Rapid Technological advancement and inability to keep pace with the change;
7. Increased competition in industries/sector in which we operate;
8. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
9. Changes in laws and regulations relating to the Sectors in which we operate;
10. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
11. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
12. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
13. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

### **SIGNIFICANT ACCOUNTING POLICIES:**

Our significant accounting policies are described in the section entitled *“Financial Statements as Restated”* beginning from page 180 of the Draft Prospectus/ Prospectus.

**FINANCIAL KPIs OF THE COMPANY:***(₹ in lakhs except percentage and ratios)*

Particulars	30-09-2024	31-03-2024	31-03-2023	31-03-2022
Total Income	3,267.83	3,057.42	3,303.16	2,448.04
Growth (%)	6.88%	-7.44%	34.93%	13.02%
Revenue from Operation	3,267.61	3,056.55	3,288.78	2,442.60
EBITDA (Operating Profit)	598.16	235.73	168.68	161.71
EBITDA Margin (%)	18.31%	7.71%	5.13%	6.62%
PAT	381.08	60.34	42.05	93.62
Growth (%)	531.58%	43.49%	-55.08%	93.66%
PAT Margin (%)	11.66%	1.97%	1.28%	3.83%
EPS (Basic & Diluted) - (As per end of Restated period)	15.24	2.41	1.68	3.74
EPS (Basic & Diluted) - (Post Bonus with retrospective effect)	0.95	0.15	0.11	0.23
Total Borrowings	1867.98	1630.03	1592.34	1270.90
Total Net Worth (TNW)	721.28	331.45	257.17	189.86
RONW (%)	52.83%	18.20%	16.35%	49.31%
ROCE%	22.49%	10.50%	8.58%	10.77%
Debt Equity Ratio (Total Borrowing/TNW)	2.59	4.92	6.19	6.69

\* Data as on 30/09/2024 are for six months only and not annualized, so it's not truly comparable.

**Our product and Service wise revenue was increased YOY as per details mentioned below:***(₹ in Lakhs except otherwise mentioned)*

Product	September 2024 (Consolidated)		March 31, 2024 (Consolidated)		March 31, 2023 (Consolidated)		March 31, 2022 (Consolidated)	
	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover
Solar Module Cleaning System	1,350.66	53.91%	1,325.75	58.00%	848.76	46.35%	946.76	62.62%
Water Pipeline Solutions for Industrial and Residential Projects	551.72	22.02%	126.22	5.52%	270.65	14.78%	118.14	7.81%
HDPE Pipes and Sprinkler Pipes	304.24	12.14%	610.63	26.71%	675.58	36.89%	441.13	29.18%
Irrigation Solutions for Agriculture and Landscape Irrigation	81.69	3.26%	117.4	5.14%	35.93	1.96%	5.83	0.39%
UPVC, CPVC, PVC - Pipes and Fittings	127.24	5.08%	105.8	4.63%	0.28	0.02%	0.03	0.00%
Compressed Bio Gas Plant	90	3.59%	-	0.00%	-	0.00%	-	0.00%
<b>Total</b>	<b>2,505.55</b>	<b>100.00%</b>	<b>2,285.81</b>	<b>100.00%</b>	<b>1,831.20</b>	<b>100.00%</b>	<b>1,511.90</b>	<b>100.00%</b>

*(₹ in Lakhs except otherwise mentioned)*

Sale of Services	September 2024 (Consolidated)		March 31, 2024 (Consolidated)		March 31, 2023 (Consolidated)		March 31, 2022 (Consolidated)	
	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover
Solar Module Cleaning System	206.13	27.05%	278.63	36.15%	416.71	28.59%	275.63	29.62%
Compressed Bio Gas Plant	287.9	37.78%	0	0.00%	23.49	1.61%	197.69	21.24%
Civil Projects	154.15	20.23%	398.85	51.75%	782.77	53.70%	400.62	43.04%
Water Pipeline Solutions for Industrial and Residential Projects	83.04	10.90%	80.69	10.47%	232.61	15.96%	56.77	6.10%
Irrigation Solutions for Agriculture and Landscape Irrigation	30.84	4.05%	12.58	1.63%	2	0.14%	-	0.00%
<b>Total</b>	<b>762.06</b>	<b>100.00%</b>	<b>770.75</b>	<b>100.00%</b>	<b>1,457.59</b>	<b>100.00%</b>	<b>930.71</b>	<b>100.00%</b>

**Details of Contribution from Customers**

(₹ in Lakhs except otherwise mentioned)

Particulars	September 2024 (Consolidated)	March 31, 2024 (Consolidated)	March 31, 2023 (Consolidated)	March 31, 2022 (Consolidated)
Turnover from Top 10 largest Customers	2,543.93	2,318.13	2,528.24	1,959.19
in % of Total Turnover	77.85%	75.84%	76.87%	80.21%
Turnover from Related Party	532.08	332.92	228.24	3.25
in % of Total Turnover	16.28%	10.89%	6.94%	0.13%

**Details of State-wise sales are as follows:**

(₹ in Lakhs except otherwise mentioned)

Particulars	September 2024 (Consolidated)		March 31, 2024 (Consolidated)		March 31, 2023 (Consolidated)		March 31, 2022 (Consolidated)	
	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover
Telangana	573.03	17.54%	929.84	30.42%	404.54	12.30%	534.36	21.88%
Andhra Pradesh	130.17	3.98%	339.70	11.11%	1,365.76	41.53%	766.14	31.37%
Karnataka	93.47	2.86%	47.74	1.56%	198.81	6.05%	0.44	0.02%
Odisha	121.62	3.72%	25.50	0.83%	0.85	0.03%	(0.07)	0.00%
Gujarat	929.15	28.44%	379.12	12.40%	202.43	6.16%	361.65	14.81%
Tamil Nadu	59.99	1.84%	4.16	0.14%	16.66	0.51%	3.20	0.13%
Uttar Pradesh	8.00	0.24%	22.89	0.75%	62.98	1.92%	82.59	3.38%
Madhya Pradesh	236.50	7.24%	9.87	0.32%	9.71	0.30%	99.09	4.06%
Maharashtra	490.68	15.02%	256.95	8.41%	215.36	6.55%	19.08	0.78%
Kerala	-	0.00%	-	0.00%	25.09	0.76%	99.53	4.07%
Haryana	-	0.00%	-	0.00%	-	0.00%	0.31	0.01%
Rajasthan	511.30	15.65%	749.34	24.52%	741.14	22.54%	460.00	18.83%
West Bengal	8.74	0.27%	2.28	0.07%	0.03	0.00%	12.96	0.53%
Punjab	-	0.00%	-	0.00%	-	0.00%	0.03	0.00%
Delhi	1.19	0.04%	24.70	0.81%	2.48	0.08%	3.30	0.13%
Assam	-	0.00%	-	0.00%	16.14	0.49%	-	0.00%
Jharkhand	3.26	0.10%	8.62	0.28%	26.77	0.81%	-	0.00%
Bihar	-	0.00%	0.30	0.01%	0.02	0.00%	-	0.00%
Chattisgarh	100.52	3.08%	255.52	8.36%	-	0.00%	-	0.00%
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>100.00%</b>	<b>3,056.55</b>	<b>100.00%</b>	<b>3,288.78</b>	<b>100.00%</b>	<b>2,442.60</b>	<b>100.00%</b>

**Details of Country-Wise sales are as follows:**

(₹ in Lakhs except otherwise mentioned)

Particulars	September 2024 (Consolidated)		March 31, 2024 (Consolidated)		March 31, 2023 (Consolidated)		March 31, 2022 (Consolidated)	
	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover
India	3,267.61	100.00%	3,056.55	100.00%	3,288.78	100.00%	2,442.60	100.00%
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>100.00%</b>	<b>3,056.55</b>	<b>100.00%</b>	<b>3,288.78</b>	<b>100.00%</b>	<b>2,442.60</b>	<b>100.00%</b>

## Details of Sector-wise Turnover

(₹ in Lakhs)

Particulars	September 2024 (Consolidated)		March 31, 2024 (Consolidated)		March 31, 2023 (Consolidated)		March 31, 2022 (Consolidated)	
	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover
Government	31.82	0.97%	-	0.00%	2.48	0.08%	3.30	0.13%
Private	3,235.79	99.03%	3,056.55	100.00%	3,286.30	99.92%	2,439.30	99.87%
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>100.00%</b>	<b>3,056.55</b>	<b>100.00%</b>	<b>3,288.78</b>	<b>100.00%</b>	<b>2,442.60</b>	<b>100.00%</b>

## Details of GST No. wise Revenue

(₹ in lakhs except as otherwise mention)

Particulars	September 2024 (Consolidated)		March 31, 2024 (Consolidated)		March 31, 2023 (Consolidated)		March 31, 2022 (Consolidated)	
	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover	Amount	% of total Turnover
36AACCB9409P1Z6 - Telangana - CHL	2,836.12	86.79%	2,224.79	72.79%	1,982.51	60.28%	1,522.19	62.32%
37AACCB9409P1Z4 - Andhra Pradesh - CHL	-	0.00%	135.63	4.44%	862.18	26.22%	656.42	26.87%
36AABCV1515H1ZL - Telangana - VBMPL	126.46	3.87%	63.40	2.07%	-	0.00%	-	0.00%
36AANCM4963C1ZA - Telangana - MPPL	305.03	9.33%	632.73	20.70%	444.10	13.50%	263.98	10.81%
<b>Total of Revenue</b>	<b>3,267.61</b>	<b>100.00%</b>	<b>3,056.55</b>	<b>100.00%</b>	<b>3,288.78</b>	<b>100.00%</b>	<b>2,442.60</b>	<b>100.00%</b>

## SUMMARY OF THE RESULTS OF OPERATION:

The following table sets forth select financial data from restated consolidated profit and loss accounts for the six-month period ended September 30, 2024 and financial years ended on 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 and the components of which are also expressed as a percentage of total income for such periods.

(₹ in lakhs except as otherwise mention)

Particulars	For the period ended							
	30-09- 2024	% of Total Turnover	31-03- 2024	% of Total Turnover	31-03- 2023	% of Total Turnover	31-03- 2022	% of Total Turnover
<b>Income</b>								
Revenue from Operations								
Sale of Products	2,505.55	76.67%	2,285.81	74.76%	1,831.20	55.44%	1,511.90	61.76%
Sale of Services	762.06	23.32%	770.75	25.21%	1,457.59	44.13%	930.71	38.02%
Other Income	0.22	0.01%	0.87	0.03%	14.38	0.44%	5.44	0.22%
<b>Total Income</b>	<b>3,267.83</b>	<b>100.00%</b>	<b>3,057.42</b>	<b>100.00%</b>	<b>3,303.16</b>	<b>100.00%</b>	<b>2,448.04</b>	<b>100.00%</b>
<b>Expenditure</b>								
Cost of Material Consumed	1,962.96	60.07%	1,749.31	57.22%	1,464.43	44.33%	1,136.63	46.43%
Work Execution cost	480.96	14.72%	560.61	18.34%	1,264.95	38.29%	843.49	34.46%
Changes in Inventories	-125.89	-3.85%	-57.47	-1.88%	-79.49	-2.41%	-30.42	-1.24%
Employee Benefit Expenses	259.53	7.94%	453.04	14.82%	382.72	11.59%	255.40	10.43%
Other Expenses	91.89	2.81%	115.33	3.77%	87.50	2.65%	75.79	3.10%
<b>Total Expenses</b>	<b>2,669.45</b>	<b>81.69%</b>	<b>2,820.83</b>	<b>92.26%</b>	<b>3,120.11</b>	<b>94.46%</b>	<b>2,280.89</b>	<b>93.17%</b>
<b>Profit Before Interest, Depreciation and Tax</b>	<b>598.39</b>	<b>18.31%</b>	<b>236.59</b>	<b>7.74%</b>	<b>183.06</b>	<b>5.54%</b>	<b>167.15</b>	<b>6.83%</b>
Depreciation & Amortisation Expenses	16.12	0.49%	30.67	1.00%	24.46	0.74%	9.82	0.40%
<b>Profit Before Interest and Tax</b>	<b>582.27</b>	<b>17.82%</b>	<b>205.92</b>	<b>6.73%</b>	<b>158.60</b>	<b>4.80%</b>	<b>157.33</b>	<b>6.43%</b>
Financial Charges	55.88	1.71%	91.67	3.00%	63.22	1.91%	29.45	1.20%
<b>Profit before Taxation</b>	<b>526.38</b>	<b>16.11%</b>	<b>114.25</b>	<b>3.74%</b>	<b>95.38</b>	<b>2.89%</b>	<b>127.87</b>	<b>5.22%</b>
Provision for Taxation	139.56	4.27%	45.28	1.48%	42.61	1.29%	34.19	1.40%
Provision for Deferred Tax	3.07	0.09%	6.69	0.22%	8.58	0.26%	-0.51	-0.02%
Earlier Tax	2.66	0.08%	1.95	0.06%	2.14	0.06%	0.57	0.02%



Particulars	For the period ended							
	30-09-2024	% of Total Turnover	31-03-2024	% of Total Turnover	31-03-2023	% of Total Turnover	31-03-2022	% of Total Turnover
<b>Total</b>	<b>145.30</b>	4.45%	<b>53.91</b>	1.76%	<b>53.33</b>	1.61%	<b>34.25</b>	1.40%
<b>Profit After Tax but Before Extra-ordinary Items</b>	381.08	11.66%	60.34	1.97%	42.05	1.27%	93.62	3.82%
Extraordinary Items	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Profit Attributable to Minority Shareholders	-	0.00%	-	0.00%	0	0.00%	0	0.00%
<b>Net Profit after adjustments</b>	<b>381.08</b>	11.66%	<b>60.34</b>	1.97%	<b>42.05</b>	1.27%	<b>93.62</b>	3.82%
<b>Net Profit Transferred to Balance Sheet</b>	<b>381.08</b>	11.66%	<b>60.34</b>	1.97%	<b>42.05</b>	1.27%	<b>93.62</b>	3.82%

Our focus on core business segments and the steady growth of flagship products and services has driven our robust financial performance. For the six-month period ended September 30, 2024, we generated total income of ₹3,267.83 Lakhs, and in Fiscal 2024, Fiscal 2023, and Fiscal 2022, we generated total income of ₹3,057.42 Lakhs, ₹3,303.16 Lakhs, and ₹2,448.04 Lakhs, respectively. Over the same periods, our EBITDA (Operating Profit) stood at ₹598.39 Lakhs, ₹236.59 Lakhs, ₹183.06 Lakhs, and ₹167.15 Lakhs, respectively, and our Net Profit After Tax (PAT) at ₹381.08 Lakhs, ₹60.34 Lakhs, ₹42.05 Lakhs, and ₹93.62 Lakhs, respectively. Our Return on Net Worth (RoNW) has fluctuated from 49.31% in FY22 to 16.35% in FY23, slightly improving to 18.20% in FY24, and showing a significant increase to 52.83% for the half-year ended September 30, 2024.

Revenue from operations increased from ₹2,442.60 Lakhs in FY22 to ₹3,056.55 Lakhs in FY24, reflecting a growth of ₹613.95 Lakhs (25.14%). However, despite revenue growth, our PAT declined from ₹93.62 Lakhs (3.82% of revenue) in FY22 to ₹60.34 Lakhs (1.97% of revenue) in FY24. This decline is primarily attributed to

1. Increased operating expenses, including travel costs, staff-related expenses, office maintenance, and other overheads.
2. Our HDPE pipe manufacturing unit, established in 2021, is in the growth phase and approaching breakeven. While initial investments have impacted PAT, this strategic expansion enhances vertical integration, reducing long-term costs and
3. Other financial factors such as changes in finance costs and tax expenses may have also contributed to the net profit decline.

As we continue to focus on operational efficiencies and cost management, we remain confident in the long-term profitability of our core businesses and the future potential of our HDPE pipes unit as it moves towards achieving breakeven and contributing positively to overall profits.

## **MAIN COMPONENTS OF PROFIT AND LOSS ACCOUNT**

### **Total Income**

Our total income comprises of Revenue from Operations and Other Income.

### ***Revenue from Operations***

Our revenue from operations primarily comprises income generated from the **Sale of Products** and **Sale of Services**.

**Sale of Products** is categorized into the following segments:

- **Supply of products in Turnkey Project Solutions:** This includes the sale of products for undertaking turnkey projects Solar Module Cleaning Systems, Water Supply Projects, Compressed Bio-Gas Plants, and Irrigation Water Supply Projects.
- **Manufacturing and Sale of HDPE and Sprinkler Pipes:** Sale of HDPE pipes and Sprinkler pipes manufactured through our subsidiary Malaxmi Polymers Private Limited
- **Distribution of Pipes and Fittings:** Sale of UPVC, CPVC, and PVC pipes and fittings as a distributor for 2 national brands.

Sale of Services encompasses, design, installation, commissioning including incidental civil works for Module Cleaning System Projects, Water Supply Projects, Compressed Bio-gas plants and Irrigation water supply projects

**Other Income**

Our other income comprises of Interest from Fixed Deposits and interest on delayed payments from clients.

**Expenditure**

Our primary expenditures include the cost of materials consumed, work execution expenses, employee benefit expenses, other administrative expenses, depreciation and amortization, financial charges, and tax expenses.

**Cost of Material Consumed**

The cost of materials consumed primarily comprises raw materials and components essential for our diverse operations. This includes the procurement of **HDPE, CPVC, and UPVC pipes**, along with **fittings for these pipe categories**, as well as **landscape irrigation materials such as drip irrigation components, water storage tanks, electromechanical components, pumping systems, electrical control panels, and various civil materials and components**.

**Work Execution Expenses**

Work execution expenses include costs associated with, civil work related expenses, project and site expenses, hire and labor charges, machinery hiring charges, consultancy fees, repairs and maintenance, loading, unloading, and transportation, charges, etc

**Change in Inventories**

Changes in inventory comprises of difference in opening and closing balance of goods.

**Employee Benefit Expenses**

Employee benefit expenses comprise of Salary and Wages including Bonus & Incentive, Remuneration to Directors & MD, Contribution to PF and Other Funds, Staff welfare expenses, Gratuity Expenses etc.

**Financial Charges**

Financial Charges comprises of Interest on secured and unsecured loans, Bill discounting charges, Bank Charges.

**Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses comprises of depreciation on the Tangible assets of our company.

**Other Expenses**

Other expenses comprise of Expenses like Rent Expense, Power and Fuel Expense, Travelling & Conveyance Expense, Repair and Maintenance Expense, Insurance, Rates and Taxes, Business Promotion, Legal and Professional, Office Expense, Auditors' Remuneration, Communication expenses, Printing and stationery, Donations, Bad debts and other Miscellaneous Expenses.

**Provision for Taxation**

The provision for current tax is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

**FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE PERIOD ENDED ON SEPTEMBER 30, 2024****Total Income**

The total income during the period (April 01, 2024 to September 30, 2024) was ₹ 3,267.83 Lakhs which comprises of Revenue from Operations and Other Income.

**Revenue from Operations**

The revenue from operations during the period (April 01, 2024 to September 30, 2024) was ₹ 3,267.61 Lakhs which is 99.99% of the total income and comprises of **Sale of Products** (₹ 2505.55 lakhs) and **Sale of Services** (₹ 762.06 lakhs).

**Sale of Products** is categorized into the following segments:

- **Supply of products in Turnkey Project Solutions:** This includes the sale of products for undertaking turnkey projects Solar Module Cleaning Systems, Water Supply Projects, Compressed Bio-Gas Plants, and Irrigation Water Supply Projects.

- **Manufacturing and Sale of HDPE and Sprinkler Pipes:** Sale of HDPE pipes and Sprinkler pipes manufactured through our subsidiary Malaxmi Polymers Private Limited
- **Distribution of Pipes and Fittings:** Sale of UPVC, CPVC, and PVC pipes and fittings as a distributor for 2 national brands.

**Sale of Services** encompasses, design, installation, commissioning including incidental civil works for Module Cleaning System Projects, Water Supply Projects, Compressed Bio-gas plants and Irrigation water supply projects

#### **Other Income**

The other income during the period (April 01, 2024 to September 30, 2024) was 0.22 Lakhs, which is from Interest on Fixed Deposits and interest on delayed payments from clients.

#### **Expenditure**

The total expenditure during the period (April 01, 2024 to September 30, 2024) was ₹ 2,741.45 Lakhs which is almost 83.89% of the total income and primarily consists of Cost of Material Consumed, Work Execution Expenses, Change in Inventories of stock in trade, Employee Benefit Expenses, Depreciation & Amortization Expenses, Finance Cost, Other Expenses etc. The primary cost components include:

1. **Cost of Material Consumed:** ₹1,962.96 Lakhs, contributing 60.07% of total turnover, reflecting raw material procurement and consumption patterns aligned with business growth.
2. **Work Execution Expenses:** ₹480.96 Lakhs, accounting for 14.72% of total turnover, primarily covering civil work expenses, hire charges, labor costs, transportation expenses, repairs and maintenance, all essential for seamless project execution and timely completion.
3. **Change in Inventories:** The change in inventories during the period (April 01, 2024 to September 30, 2024) was ₹ (125.89) Lakhs which is almost -3.85% of the total income and comprises of difference in opening and closing balance of stock in trade.
4. **Employee Benefit Expenses:** ₹259.53 Lakhs (7.94% of total turnover), reflecting investments in skilled workforce, salary revisions, and operational expansions.
5. **Other Expenses:** The other expenses during the period (April 01, 2024 to September 30, 2024) were ₹ 91.89 Lakhs which is almost 2.81% of the total income and comprises of i.e. Rent Expense, Power and Fuel Expense, Travelling & Conveyance Expense, Repair and Maintenance Expense, Insurance, Rates and Taxes, Business Promotion, Legal and Professional, Office Expense, Auditors' Remuneration, Bad debts, communication expenses, Printing and stationery and other Miscellaneous Expenses.
6. **Financial Charges:** Financial Charges during the period (April 01, 2024 to September 30, 2024) was ₹ 55.88 Lakhs which is almost 1.71% of the total income and comprises of Interest on secured and unsecured loan, Bill Discounting Charges and Bank Charges.
7. **Depreciation and Amortization Expenses:** Depreciation and Amortization Expenses during the period (April 01, 2024 to September 30, 2024) was ₹ 16.12 Lakhs which is almost 0.49% of the total income and comprises of depreciation on the Tangible assets of our company.
8. **Provision for Taxation:** The provision for tax during the period (April 01, 2024 to September 30, 2024) was ₹ 145.30 Lakhs which is almost 4.45% of the total income. The provision for current tax is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future. For the six-month period ended September 30, 2024, an earlier tax adjustment of ₹2.66 Lakhs 0.08% was recorded due to reassessments, rectifications, or reconciliations of prior-year tax liabilities.
9. **Profit before Tax:** The Profit before Tax during the period (April 01, 2024 to September 30, 2024) was ₹ 526.38 lakhs which is almost 16.11% of the total revenue.
10. **Profit after Tax:** The Profit after Tax during the period (April 01, 2024 to September 30, 2024) was ₹ 381.08 lakhs which is almost 11.66% of the total revenue.

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2024 (CONSOLIDATED) WITH FISCAL 2023 (CONSOLIDATED)

**Total Income:** The Total Income consist of revenue from operations and other income has decreased from ₹ 3,303.16 lakhs in FY 2022-23 to ₹ 3,057.42 lakhs in FY 2023-24 i.e. total revenue decreased by ₹ 245.75 lakhs (7.44% for the said period) primarily due to significant reduction in Civil projects revenue, Delayed project approvals and negligible revenue from compressed Bio-Gas (CBG) segment.

**Revenue from Operations:** The Revenue from Operations comprising of Sale of Products and Sale of Services has decreased from ₹ 3,288.78 lakhs in FY 2022-23 to ₹ 3,056.55 lakhs in FY 2023-24 i.e. revenue from operation decreased by 232.23 lakhs (7.06% for the said period). Though Revenue from Sale of Products increased from ₹1831.20 lakhs in FY 2022-23 to ₹2285.81 lakhs in FY 2023-24, the Revenue from Sales of Services reduced from ₹1457.59 lakhs in FY 2022-23 to ₹770.75 lakhs in 2023-24, resulting in reduction of overall Revenue from Operations during the FY 2023-24 compared to that of FY 2022-23. The decrease in revenue from operations is primarily due to significant reduction in Civil projects revenue, Delayed project approvals and negligible revenue from compressed Bio-Gas (CBG) segment. Revenue from civil projects dropped drastically from ₹840 lakhs in FY 2023 to ₹90 lakhs in FY 2024. This reflects the company's deliberate decision to deprioritize this segment, which aligns with its long-term strategy of focusing on its core business. Some projects faced delays due to external factors, such as the Hindenburg crisis, which affected client approvals and project postponement/temporary closure. These delays impacted revenue realization, particularly in the water pipeline solutions segment. Revenue from Compressed Bio-Gas (CBG) Segment was negligible in FY 2024, unlike previous years, further affecting the overall turnover.

**Other Income:** The other income of the company for FY 2023-24 decreased to ₹ 0.87 Lakhs as against ₹ 14.38 Lakhs in the FY 2022-23. In FY 2022-23, **other income was higher as clients paid interest on delayed payments**, whereas in FY 2023-24, no such income was received.

### Total Expenditure:

The total expenses (excluding Depreciation & Amortization Expenses, Financial Charges and provision for tax) for the FY 2023-24 were decreased to ₹ 2,820.83 Lacs (92.26% of total revenue) as against ₹ 3,120.11 Lacs (94.46 % of total revenue) in the FY 2022-23 i.e., total expenses decreased by ₹ 299.28 lakhs (9.59% for the said period) and profitability increased by 2.20% of Total revenue. The decrease in total expenses was mainly due to decrease in work execution cost with change in priority for core business activity during the FY as mentioned in revenue from operations above as details given as mentioned.

**The Total Expenditure consists of Cost of Material Consumed, Work Execution Cost, Changes in Inventories of stock in trade, Employee Benefit Expenses, Other Expenses, Depreciation & Amortisation Expenses, Financial Charges and Taxation expenses.**

### The details as under:

**Cost of Material Consumed:** The total Cost of Material Consumed for the FY 2023-24 increased to ₹ 1,749.31 Lacs (57.22% of total income) as against ₹ 1,464.43 lacs in the FY 2022-23 (44.33% of total income) i.e., cost of material consumed increased by ₹ 284.88 lakhs (19.45% for the said period) and profitability decreased by 12.89% of Total revenue. This increase was mainly due to increase in volume of operations of Sale of Products during the FY as mentioned in revenue from operation above.

**Work Execution Cost:** The work execution cost for the FY 2023-24 decreased to ₹560.61 lakhs (18.34% of total income) as against ₹1,264.95 lakhs in the FY 2022-23 (38.29% of total income) i.e., work execution cost decreased by ₹704.34 lakhs (55.68% for the said period) and profitability increased by 19.95% of Total Revenue. This decrease in cost was mainly due to reduction in volume of operations with change in priorities during the FY as mentioned in revenue from operations as above.

**Change in Inventories:** The change in inventory was ₹(57.47) lakhs for the FY 2023-24 against ₹(79.49) lakhs for the FY2022-23 this comprises of difference in opening and closing balance of stock in trade.

**Employee Benefit Expenses:** The Employee Benefit Expenses for the FY 2023-24 increased to ₹ 453.04 Lakhs (14.82 % of total income) as against ₹ 382.72 Lakhs in the FY 2022-23 (11.59 % of total income) i.e., employee benefit expenses increased by ₹ 70.32 lakhs (18.37 % for the said period) and profitability decreased by 3.23% of Total revenue. This increase was mainly due to increase in workforce to manage higher project volumes, especially in core segments such as Solar Module cleaning systems and water pipeline solutions, expansion into new segments like renewable energy. The company has also hired some high cost resources during the period to build the leadership team for future growth of the company.

**Other Expenses:** The Other Expenses for the FY 2023-24 increased to ₹ 115.33 Lakhs (3.77 % of total income) as against ₹ 87.50 Lakhs in the FY 2022-23 (2.65% of total income) i.e., other expenses increased by ₹ 27.83 lakhs (31.81 % for the said period) and profitability decreased by 1.12% of Total revenue. This increase was mainly due to increase in travelling & conveyance expenses, Legal and professional charges, rates and taxes, power and fuel, insurance, business promotion expenses and donations (₹93.81 lakhs in FY 2023-24 and ₹ 61.36 lakhs in FY 2022-23) due to increase in volume of operation from sale of products and change in priority of operations during the FY as mentioned in revenue from operation above.

**Depreciation and Amortisation Expenses:** The Depreciation expenses for FY 2023-24 increased to ₹ 30.67 Lakhs (1.00% of total income) as against ₹ 24.46 Lakhs in the FY 2022-23 (0.74% of total income) i.e., depreciation increased by ₹ 6.22 lakhs (25.42% for the said period) and profitability decreased by 0.26% of Total revenue. The increase in depreciation is primarily due to additions to fixed assets during the year.

**Financial Charges:** The Financial Charges for the FY 2023-24 increased to ₹ 91.67 Lakhs (3.00% of total income) as against ₹ 63.22 Lakhs in the FY 2022-23 (1.91% of total income) i.e., financial charges increased by ₹ 28.45 lakhs (45.00% for the said period) and profitability decreased by 1.08 % of Total revenue. This increase was mainly due to increase in interest cost on secured loan as per their utilization.

**Profit/ (Loss) Before Tax:** The restated Profit before Tax for FY 2023-24 increased to ₹ 114.25 Lakhs (3.74% of total income) as against ₹ 95.38 Lakhs in the FY 2022-23 (2.89% of total income) i.e., profit before tax increased by ₹ 18.87 lakhs (19.78 % for the said period) and overall profitability increased by 0.85 % of Total Income. This increase was mainly due to increase in volume of operation of Sale of Products and change in priority for operations and as a combined effort of all expenses together as discussed above, the profit before tax has been increased.

**Total Tax Expenses:** The total tax expense for FY 2023-24 increased to ₹ 53.91 Lakhs (1.76% of total income) as against ₹ 53.33 Lakhs (1.61% of total income) in the FY 2022-23. This marginal increase was mainly due to increase in Profit before Tax as mentioned above and reduction in provision for deferred tax.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2023-24 has been increased to ₹ 60.34 Lakhs (1.97% of total income) as against ₹ 42.05 Lakhs (1.27% of total income) in the FY 2022-23. This increase was mainly due to increase in Profit before Tax as mentioned above.

#### COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2023 (CONSOLIDATED) WITH FISCAL 2022 (CONSOLIDATED)

**Total Income:** The total income consist of revenue from operations and other income has been increased from ₹ 2,448.04 lakhs in FY 2021-22 to ₹ 3,303.16 lakhs in FY 2022-23 i.e. total revenue increased by ₹ 855.12 lakhs (34.93% for the said period) primarily due to increase in revenue from operations of the Company.

**Revenue from Operations:** The revenue from operations has been increased from ₹ 2,442.60 lakhs in FY 2021-22 to ₹ 3,288.78 lakhs in FY 2022-23 i.e. revenue from operation increased by ₹ 846.18 lakhs (34.64% for the said period). This significant increase in revenue was primarily driven by increase in revenue from solar module cleaning system, irrigation solutions for agriculture and landscape, water pipeline solutions for Industrial and Residential projects. The growth in solar module cleaning system reflects the company's strong market position and the rising demand for solar cleaning solutions and irrigation solutions for agricultural and residential landscape, an area where the company has consistently demonstrated leadership. We have also started providing services in ground water extraction, design and laying of pipelines, water treatment plans to our existing solar project customers. Also, as we had demonstrated ability to execute challenging projects, the project sizes have increased allowing us to bid for larger projects.

**Other Income:** The other income of the company for FY 2022-23 increased to ₹ 14.38 Lakhs as against ₹ 5.44 Lakhs in the FY 2022-23. This increase was mainly due to increase in Interest on Fixed Deposits.

#### Total Expenditure:

The total expenditure (excluding Depreciation & Amortization Expenses, Financial Charges and provision for tax) for the FY 2022-23 increased to ₹ 3,120.11 Lacs (94.46% of total revenue) as against ₹ 2,280.89 Lacs (93.17% of total revenue) in the FY 2021-22 i.e., total expenses increased by ₹ 839.21 lakhs (36.79 % for the said period) and profitability decreased by 1.28 % of Total revenue. The increase was mainly due to increase in volume of operations during the FY 2022-23 over the previous year.



**The Total Expenditure consists of Cost of Material Consumed, Work Execution Cost, Changes in Inventories of stock in trade, Employee Benefit Expenses, Other Expenses, Depreciation & Amortisation Expenses, Financial Charges and Taxation expenses.**

**The details as under:**

**Cost of Material Consumed:** The Cost of Material Consumed for the FY 2022-23 increased to ₹ 1,464.43 Lacs (44.33 % of total income) as against ₹ 1,136.63 lacs in the FY 2021-22 (46.43 % of total income) i.e., cost of material consumed increased by ₹ 327.80 lakhs (28.84 % for the said period) and profitability decreased by 2.10% of Total revenue. This increase in cost was mainly due to increase in volume of operation during the FY as mentioned in revenue from operations as above.

**Work Execution Cost:** The work execution cost for the FY 2022-23 increased to ₹1,264.95 lakhs (38.29% of total income) as against ₹ 843.49 lakhs in the FY 2021-22 (34.46% of total income) i.e., work execution cost increased by ₹421.46 lakhs (49.97% for the said period) and profitability decreased by 3.83% of Total Revenue. This increase in cost was mainly due to increase in volume of operation during the FY as mentioned in revenue from operations as above.

**Change in Inventories:** The change in inventory was ₹(79.49) lakhs for the FY 2022-23 against ₹(30.42) lakhs for the FY2021-22 this comprises of difference in opening and closing balance of stock in trade.

**Employee Benefit Expenses:** The Employee Benefit Expenses for the FY 2022-23 increased to ₹ 382.72 Lakhs (11.59 % of total income) as against ₹ 255.40 Lakhs in the FY 2021-22 (10.43 % of total income) i.e., employee benefit expenses increased by ₹ 127.32 lakhs (49.85 % for the said period) and profitability decreased by 1.15% of Total revenue. This increase in cost was mainly due to increase in director remuneration, salaries, wages and bonus.

**Other Expenses:** The Other Expenses for the FY 2022-23 increased to ₹ 87.50 Lakhs (2.65 % of total income) as against ₹ 75.79 Lakhs in the FY 2021-22 (3.10 % of total income) i.e., other expenses increased by ₹ 11.71 lakhs (15.45 % for the said period) and profitability increased by 0.45 % of Total revenue. This increase in other expenses was mainly due to increase in Travelling and conveyance, Power and Fuel, Insurance (₹55 lakhs in FY 2022-23 and ₹ 26.40 lakhs in FY 2021-22) due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Depreciation and Amortisation Expenses:** The Depreciation and Amortisation expenses for FY 2022-23 increased to ₹ 24.46 Lakhs (0.74 % of total income) as against ₹ 9.82 Lakhs in the FY 2021-22 (0.40 % of total income) i.e., depreciation increased by ₹ 14.63 lakhs (149.08 % for the said period). The increase in depreciation is primarily due to additions to fixed assets during the year to increase the operational capacity.

**Financial Charges:** The Financial Charges for the FY 2022-23 increased to ₹ 63.22 Lakhs (1.91 % of total income) as against ₹ 29.45 Lakhs in the FY 2021-22 (1.20% of total income) i.e., financial charges increased by ₹ 33.77 lakhs (114.67 % for the said period) and profitability decreased by 0.71 % of Total revenue. This increase was mainly due to increase in interest on secured loan as per their utilisation.

**Profit/ (Loss) Before Tax:** The restated Profit before Tax for FY 2022-23 decreased to ₹ 95.38 Lakhs (2.89 % of total income) as against ₹ 127.87 Lakhs in the FY 2021-22 (5.22 % of total income) i.e., profit before tax decreased by ₹ 32.49 lakhs (25.41 % for the said period) and overall profitability decreased by 2.34 % of Total revenue. This decrease was mainly due to increase in operational expenses with increase in volume of operations. As a combined effort of all expenses together as discussed above, the profit before tax has been decreased.

**Total Tax Expenses:** The total tax expense for FY 2022-23 increased to ₹ 53.33 Lakhs (1.61 % of total income) as against ₹ 34.25 Lakhs (1.40 % of total income) in the FY 2021-22. This increase was mainly due to increase in provision for taxation and provision for deferred tax and earlier tax expenses.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2022-23 has been reduced to ₹ 42.05 Lakhs (1.27% of total income) as against ₹ 93.62 Lakhs (3.82 % of total income) in the FY 2021-22. This reduction was mainly due to increase in operational expenses, depreciation & amortization and tax expenses as mentioned above.



**AN ANALYSIS OF REASONS FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE IS GIVEN HEREUNDER:**

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**1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations. However, Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact 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 23 in the Draft 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. Expected Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by demand/supply situation, inflation, Government Policies and Taxation and Currency fluctuations.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices**

Changes in revenue in the last financial years are as explained in the part “Comparison of the Financial Performance” of above.

**6. Total turnover of each major industry segment in which our Company operates**

The Company is mainly engaged in EPC (Engineering, Procurement and Construction) projects focusing on two broad segment viz Water-based and Renewable Energy-based. Therefore, there are no separate reportable segments.

**7. Status of any publicly announced New Products or Business Segment**

Our Company has not announced any new product other than disclosed in this Draft Prospectus.

**8. Seasonality of business**

Our business is not seasonal in nature.

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on page 92 and 106 respectively of the Draft Prospectus.

**10. Details of material developments after the date of last balance sheet i.e. September 30, 2024**

Except as mentioned in this Draft Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the Draft Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no pending (i) criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Promoters in the last 5 (five) FYs including outstanding action; (iv) outstanding claims related to direct or indirect taxes; or (v) other pending litigation based on lower of threshold criteria i.e., (I) As determined to be material by our Board as per the materiality policy adopted by our Board ("Materiality Policy") in each case involving our Company, Promoters, Directors and the Group Companies ("Relevant Parties"); or (II) Litigation where the value or expected impact in terms of value, exceeds the lower of the following: (a) two percent of turnover, as per the latest annual restated financial statements of the issuer; or (b) two percent of net worth, as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer; or (vi) criminal proceedings involving key managerial personnel and senior management of the issuer and actions by regulatory authorities and statutory authorities against such key managerial personnel and senior management of the issuer.*

*For the purpose of material litigation in (v) above, our Board in its meeting held on March 25, 2025 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("Materiality Policy"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than (i), (ii), (iii) and (iv) mentioned above, will be considered material if the aggregate amount involved exceeds (a), (b), (c) mentioned above as per the latest Restated Financial Statements.*

*It is clarified that pre-litigation notices received by the Relevant Parties (excluding those notices issued by statutory/regulatory/tax authorities), unless otherwise decided by the Board, shall not be evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in the litigation proceedings before any judicial forum.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding 5% of the total trade payables as on the date of the latest Restated Financial Statements included in this Draft Prospectus, shall be considered as 'material'. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("MSME"), the disclosure will be based on information available with the Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.*

#### **I. PENDING LITIGATION INVOLVING OUR COMPANY**

##### **(a) Criminal proceedings against the Company**

As on the date of this Draft 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 Prospectus, there are no outstanding criminal proceedings filed by the Company.

##### **(c) Actions by statutory and regulatory authorities against the Company**

As on the date of this Draft Prospectus, there are no outstanding actions by statutory and regulatory authorities against the Company.

##### **(d) Tax Proceedings:**

Except as mentioned below, as on the date of this Draft Prospectus, there are no outstanding Tax Proceedings against the Company.

##### **(i) Direct Tax:**

For the assessment year 2018-19, under Section Code 143(3), a demand was raised on 09-09-2020 for an amount of Rs.1,600. Although the payment has been made, the demand continues to appear on the income tax portal.

**TDS-**

1. A Demand was raised against the company for the F.Y. 2018-19 for an amount involving Rs.470.00
2. A Demand was raised against the company for the F.Y.2020-21 for an amount involving Rs.390.00

**(ii) Indirect Tax –**

On 29-08-2024, a demand was raised against M/s. Chiraharit Private Limited, identified by Demand ID ZD360824127619Z, for an amount of Rs.20,000 under Integrated Tax, with no amounts specified under Central Tax or State/UT Tax. This demand was initiated through a notice issued on the same date. Based on the company's responses, submitted periodically via emails or in person, the Office of the Assistant Commissioner of Commercial Taxes concluded the matter by issuing a show cause notice under Sections 73/74 and GST DRC 01 of the GST Act, 2017, on 23rd May 2024, pertaining to the financial year 2019-20. The due date to reply to this notice was 29th June 2024. In response to the show cause notice dated 31st May 2024, the company addressed allegations of tax discrepancies for the period from April 2019 to March 2020, which included a short payment of Rs.39,320 under IGST, excess input tax credit utilization of Rs.1,67,682, and an ineligible input tax credit of Rs.1,906. The notice also demanded interest under Section 50(1) of the CGST Act and proposed a penalty of Rs.40,558. The company emphasized its compliance with tax obligations through regular assessments and timely filing of returns. Subsequently, the company availed the benefit of the amnesty scheme under Section 128A of the CGST Act, 2017, and communicated this via a letter dated 21-11-2024, requesting that further proceedings in this regard be dropped.

**(e) Other pending material litigations against the Company**

As on the date of this Draft Prospectus, there are no outstanding litigations initiated against the company, which have been considered material by the Company in accordance with the Materiality Policy.

**(f) Other pending material litigations filed by the Company**

As on the date of this Draft Prospectus, there are no outstanding litigations initiated by the company, which have been considered material by the Company in accordance with the Materiality Policy.

**II. PENDING LITIGATION INVOLVING OUR PROMOTERS AND DIRECTORS OF THE COMPANY****(a) Criminal proceedings against the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the company.

**(b) Criminal proceedings filed by the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the company.

**(c) Actions by statutory and regulatory authorities against the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no outstanding actions by statutory and regulatory authorities against the Promoters & Directors of the Company.

**(d) Tax Proceedings:**

Except as mentioned below, as on the date of this Draft Prospectus, there are no outstanding Tax dues against the Promoters & Directors of the Company

**Proceedings against the Promoters & Directors.****(i) Direct tax –****PAVAN KUMAR BANG**

For the assessment year 2008-2009, under Section Code 143(1), a demand was raised on 10th March 2010 for an amount of Rs.1,28,917. No appeal has been filed against this demand, and the matter remains pending.

**ANANTHA NAGESWARA RAO**

For the assessment year 2022-23, under Section Code 154, a demand was issued on 19th December 2022 for an amount of Rs.25,928. No appeal has been filed against this demand, and the matter remains pending.

(ii) Indirect Tax - NIL

**(e) Other pending material litigations against the Promoters & Directors of the company**

As on the date of this Draft Prospectus, there are no outstanding litigations initiated against the Promoters & Directors of the company, which have been considered material by the Company in accordance with the Materiality Policy.

**(f) Other pending material litigations filed by the Promoters & Directors of the company**

Except as mentioned below, as on the date of this Draft Prospectus, there are no outstanding litigations initiated by the Promoters & Directors of the company, which have been considered material by the Company in accordance with the Materiality Policy.

**Lanka Prabhakar Rao, Yarlagadda Tejaswini, and others Vs. Union on India**

In the case identified as SLP(C) No. 012418-012420/2022, petitioners Lanka Prabhakar Rao, Yarlagadda Tejaswini, and others challenged the awards numbered 12/2013/NH-5 dated 27th December 2013 and the revised award No. 06/2015/NH-5 dated 16th November 2015, issued in connection with land acquisition for the expansion of National Highway No. 5. The petitioners approached the Hon'ble High Court of Andhra Pradesh, contending that the procedures outlined under the National Highways Act were not adhered to, particularly with respect to providing them an opportunity to present their claims and ensuring proper notification. However, the High Court dismissed their claims, finding no merit in their arguments. The court noted that the petitioners failed to substantiate allegations of procedural violations or prove continuous possession of the land after it had vested with the Central Government. Consequently, the awards were upheld, and the case, along with any interim orders or miscellaneous petitions, was dismissed without costs. Dissatisfied with this ruling, petitioner number 33 escalated the matter to the Hon'ble Supreme Court by filing SLP(C) No. 012418-012420/2022 on 15th July 2022 against the respondent, the Union of India. The case remains pending, with the next hearing scheduled for 29th April 2025. The current case stage is not available.

**III. PENDING LITIGATION INVOLVING OUR GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON THE COMPANY****(a) Criminal proceedings against the group companies**

There are no outstanding criminal proceedings initiated against the group companies.

**(b) Criminal proceedings filed by the group companies**

There are no outstanding criminal proceedings initiated by the group companies.

**(c) Actions by statutory and regulatory authorities against the group companies**

There are no outstanding actions by statutory or regulatory authorities initiated against the Group Company.

**(d) Tax Proceedings:**

(i) Direct Tax: -

**Malaxmi Infra Ventures (India) Private Limited****(TDS)**

1. A Demand was raised against the company for the F.Y. 2022-23 for an amount involving Rs.3050.00
2. A Demand was raised against the company for the F.Y.2023-24 for an amount involving Rs.90750.00 ,Although the payment has been made vide challan number : 11091, BSR code : 0180002 dated 27-Mar-2025.However the demand continues to appear on the TDS portal.

2. A Demand was raised against the company for the F.Y.2009-10 for an amount involving Rs.340.00
3. A Demand was raised against the company for the F.Y. 2008-09 for an amount involving Rs.6890.00
4. A Demand was raised against the company for the F.Y.2019-20 for an amount involving Rs.2720.00, Two payments has been made of Rs. 942 and Rs. 40 vide Challan No : 01105, BSR code : 6360014, Dated 20-Mar-2025 and Challan No : 00795, BSR code : 6360014, Dated 20-Mar-2025 respectively, although the demand of Rs.2720 continues to appear on the TDS portal as a rectification has been filed for the said amount.
5. A Demand was raised against the company for the F.Y. 2018-19 for an amount involving Rs.1000.00, four payments has been made of Rs. 1600,1600,1000 and 30 vide Challan No : 00736, BSR code : 6360014 Dated 20-Mar-2025,Challan No : 00762, BSR code : 6360014, Dated 20-Mar-2025 , Challan No : 00762, BSR code : 6360014, Dated 20-Mar-2025 , Challan No : 02958, BSR code : 6360014, Dated 27-Mar-2025 and Challan No : 02959, BSR code : 6360014, Dated 27-Mar-2025 respectively, although the demand of Rs.1000 continues to appear on the TDS portal.
6. A Demand was raised against the company for the F.Y.2015-16 for an amount involving Rs.790.00, Although the payment has been made vide Challan No : 15447, BSR code : 6390009 dated 27-Mar-2025, However the demand continues to appear on the TDS portal.
7. A Demand was raised against the company for the F.Y.2012-13 for an amount involving Rs.6750.00
8. A Demand was raised against the company for the F.Y.2011-12 for an amount involving Rs.12340.00
9. A Demand was raised against the company for the F.Y.2020-21 for an amount involving Rs.9380.00, for which rectification was filed.

(ii) Indirect Tax –

1. 1.On 30th December 2023, a demand was raised against the company under Notice/Demand ID ZD3612230648475 for a total amount of Rs.904,828. This demand included Rs.0 under Integrated Tax, Rs.4,52,414 under Central Tax, and Rs.4,52,414 under State/UT Tax. No appeal has been filed against this demand, and the matter remains pending.
2. 2.On 30th April 2024, a demand was raised against the company under Notice/Demand ID ZD3604240866155 for a total amount of Rs.1,574,438. This demand comprised Rs.0 under Integrated Tax, Rs.7,87,219 under Central Tax, and Rs.7,87,219 under State/UT Tax. No appeal has been filed against this demand, and the matter remains pending.
3. 3.On 20th August 2024, a demand was raised against the company under Demand ID ZD3608240744262, amounting to Rs.4,19,27,594, with Rs.0 under Integrated Tax, Rs.2,09,63,797 under Central Tax, and Rs.2,09,63,797 under State/UT Tax. This followed a show cause notice (SCN) issued by the State Tax Officer, Madhapur VII Circle, vide reference number ZD3605240674572 on 30th May 2024, citing non-payment of GST on advances and interest under Sections 73/74 of the GST Act 2017 and GST DRC 01 for the financial year 2019-20. The due date to respond to the SCN was 30th June 2024. The company submitted a reply on 30th May 2024, requesting the proceedings be dropped with adequate justification. However, the department issued three consecutive reminders for a personal hearing on 4th July 2024, 19th July 2024, and 2nd August 2024. As no payment was made, the department passed an assessment order, GST DRC 07, on 20th August 2024. Aggrieved by this, the company filed an appeal before the Joint Commissioner of State Tax, Hyderabad, on 5th September 2024, arguing that the order was ex-facie illegal and untenable. The appeal was acknowledged by the department on 21st January 2025, and the company was called for personal hearings twice. The matter remains pending
4. 4.On 24th February 2025, a demand was raised against the company under Demand ID ZD360225071103T for the financial year 2020-2021, covering the tax period from April 2020 to March 2021. This demand, issued under Section 73 of the GST Act 2017 through Form DRC GST 07 (Summary of Order), amounted to a total of Rs.3,06,26,348, comprising Rs. 0 under Integrated Tax, Rs.1,53,13,174 under Central Tax, and Rs.1,53,13,174 under State Tax. No appeal has been filed against this demand, and the matter remains pending.

**(e) Other pending material litigations against the group companies**

There are no pending material litigations against the Group Companies.

**(f) Other pending material litigations filed by the group companies****1. Malaxmi Infra Ventures (India) Private Limited and Acacia Hotels and Resorts Private Limited, as petitioners, Vs. State of Andhra Pradesh and the Andhra Pradesh Capital Region Development Authority**

In Writ Petition 11919 of 2020, Malaxmi Infra Ventures (India) Private Limited and Acacia Hotels and Resorts Private Limited, as petitioners, initiated legal action against the State of Andhra Pradesh and the Andhra Pradesh Capital Region Development Authority in the High Court of Andhra Pradesh at Amaravati. The case stems from a tender issued by Respondent No. 2 on 18th August 2017, which sought bids from developers to construct three, four, and five-star hotels in Amaravati, with land plots provided for the purpose. Petitioner No. 1, partnering with Suryamukhi Trexim Private Limited and designating Hilton Worldwide Manage Private Limited as their Operations & Maintenance partner, successfully bid for a five-star hotel. They submitted their Letter of Intent on 7th June 2018 and acquired a four-acre plot in Mandadam village, Guntur district, for a “DoubleTree by Hilton” project after paying the full sale consideration to Respondent No. 2. After completing due diligence and experiencing a justified delay, Respondent No. 2 granted an extension until 10th May 2019 for the submission of brand/franchise and management agreements. Petitioner No. 2 finalized these agreements with Hilton, paying an initial development fee of Rs.18 lakh. However, despite these submissions, Respondent No. 2 failed to provide any response or updates, leading the petitioners to file this writ petition due to the lack of communication and stalled progress on the project. The case remains pending, currently at the stage of seeking an extension of interim orders, with the next hearing date unavailable.

**E. LITIGATIONS INVOLVING THE SUBSIDIARIES/ ASSOCIATE COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON THE COMPANY**

Nil

**OUTSTANDING DUES TO CREDITORS**

In terms of our Materiality Policy adopted by the Board vide Resolution dated March 25, 2025, the Board deems all creditors above 5% of the outstanding trade payables as per the last audited financial statements as material creditors. As of September 30, 2024, our Company owes the following amounts to small scale undertakings, other creditors, and material creditors.

Based on this criteria, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as of September 30, 2024, by our Company, are set out below and the disclosure of the same is available on the website of our Company at [www.chiraharit.com](http://www.chiraharit.com).

Particulars	No. of Creditors	Balance as on September 30, 2024 (₹ in lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises (MSME)	12	87.26
Total Outstanding dues to Creditors other than MSME	224	335.33
<b>Total</b>	<b>236</b>	<b>422.59</b>
Material Creditors	5	179.66

*The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 and as per restated financial statements”*

**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 226 of this Draft 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. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### I. Approvals for the Issue

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on January 11, 2025 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on January 13, 2025 authorized the Issue.
- c) Our Company has received an in-principle approval from the BSE Limited dated [●] for listing of Equity Shares issued pursuant to the Issue.
- d) Our company has entered into an agreement dated January 15, 2025 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited.
- e) Our Company has entered into an agreement dated August 23, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited.
- f) Our Company’s ISIN is “**INE12P101018**”.

### II. Approvals pertaining to Incorporation of our Company

Name of Registration	Registration/License No	Applicable Law	Issuing Authority	Date of Issue	Validity
Certificate of Incorporation of “Brahmani Ventures Private Limited”	U45101AP2006PTC050818	Companies act 1956	Registrar of Companies, Andhra Pradesh	August 08, 2006	Till Cancelled
Certificate of Incorporation pursuant to change of name from “Brahmani Ventures Private Limited” to “Chiraharit Agro Farms Private Limited”	U01403TG2006PTC050818	Companies (Incorporation) Rules, 2014 and Companies Act, 2013	Registrar of Companies, Hyderabad	September 18, 2015	Till Cancelled
Certificate of Incorporation pursuant to change of name from “Chiraharit Agro Farms Private	U29100TG2006PTC050818	Companies (Incorporation) Rules, 2014 and Companies Act, 2013	Registrar of Companies, Hyderabad	May 30, 2016	Till Cancelled

Name of Registration	Registration/License No	Applicable Law	Issuing Authority	Date of Issue	Validity
Limited” to “Chiraharit Private Limited”					
Certificate of Incorporation consequent upon conversion from Private Limited to Public Company from “Chiraharit Private Limited” to “Chiraharit Limited”	U29100TG2006PLC050818	Companies (Incorporation) Rules, 2014 and Companies Act, 2013	Registrar of Companies, Central Processing Centre	December 02, 2024	Till Cancelled

### III. Business Related Approvals

Name of Registration	Registration/ License No	Applicable Law	Issuing Authority	Date of Issue	Validity
Udyam Registration Certificate	UDYAM-TS-09-0001249	Micro, Small and Medium Enterprises Development Act, 2006	Government of India Ministry of Micro, Small and Medium Enterprises	August 26, 2020	Till Cancelled
Certificate of Importer-Exporter Code	0916907767	Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade, Government of India	July 05, 2016	Till Cancelled
Provident Fund Registration	APHYD1646474000	The Employees Provident Fund Act, 1952	Employees Provident Fund Organization Government of India	September 19, 2017	Till Cancelled
Employees State Insurance Registration	52000663520001099	The Employees State Insurance Act, 1948	Employees State Insurance Corporation, Government of India	February 12, 2018	Till Cancelled
Shop & Establishment Certificate	SEA/HYD/ACL/A4/46048/2017	Telangana Shops & Establishment Act, 1988	Labour Department, Government of Telangana	January 01, 2025	December 31, 2025
Legal Entity Identifier (LEI) Code	894500EL1IWQZM585P37	Companies Register (Ministry of Corporate Affairs)	Legal Entity Identifier India Ltd	January 24, 2022	May 13, 2025




#### IV. Tax Related Approvals



Name of Registration	Registration/License No	Applicable Law	Issuing Authority	Date of Issue	Validity
Permanent Account Number [PAN]	AACCB9409P	Income Tax Act, 1961	Income Tax Department	August 08, 2006	Till Cancelled
Tax Deduction Account Number [TAN]	HYDC07704E	Income Tax Act, 1961	Income Tax Department	December 16, 2024 *	Till Cancelled
Goods and Service Tax (Andhra Pradesh)	37AACCB9409 P1Z4	Goods and Services Act, 2017	Goods and Services Tax Department	December 18, 2024 *	Till Cancelled
Goods and Service Tax (Telangana)	36AACCB9409 P1Z6	Goods and Services Act, 2017	Goods and Services Tax Department	December 17, 2024 *	Till Cancelled
Goods and Service Tax (Maharashtra)	27AACCB9409 P1Z5	Goods and Services Act, 2017	Goods and Services Tax Department	December 27, 2024 *	Till Cancelled
Goods and Service Tax (Tamil Nadu)	33AACCB9409 P1ZC	Goods and Services Act, 2017	Goods and Services Tax Department	February 29, 2020	Till Cancelled
Professional Tax Certificate of Registration (Entry 1 Salary Wages)	36540153130	Telangana tax on Profession Trade, Calling and Employment Act 1987	Telangana Commercial Tax Department	21-06-2016	Till Cancelled
Professional Tax Certificate of Registration (Entry 8A)	36521673016	Telangana tax on Profession Trade, Calling and Employment Act 1987	Telangana Commercial Tax Department	21-06-2016	Till Cancelled

\* New Certificate Received from the Respective Authorities Pursuant to Conversion of Company from Private Limited to Public Limited.

#### V. Intellectual Property Related Approvals

##### Trademarks:

Applicati on No	TRADEMARK	Class	Trademark Type	Date of Application	Status	Validity
4547474, 4547475		17,19	Device mark	27/06/2020	Registered*	27/06/2030
2226110, 2226104, 2226105, 2226103, 2226107, 2226109, 2226111, 2226112, 2226113, 2226114		43, 4, 30, 1, 32, 35, 44, 22, 23, 29	Device mark	28/10/2021	Registered*	28/10/2031
1423939, 1423938, 1423952, 1423951, 1423950,		36, 37, 38, 39, 40, 41, 42	Device mark	23/02/2016	Registered*	23/02/2026

Applicati on No	TRADEMARK	Class	Trademark Type	Date of Application	Status	Validity
1423949, 1423948						
6756957, 6756958, 6756959, 6756960, 6756961		7, 9, 17, 19, 35	Device mark	14/12/2024	Formalities Chk Pass	N. A
6736255, 6736256		37, 40	Device mark	02/12/2024	Formalities Chk Pass	N. A
6787730, 6787731, 6787732, 6787712, 6787709, 6787710, 6787711	CHIRAHARIT	7, 9, 17, 19, 35, 37, 40	Wordmark	03/01/2025	Formalities Chk Pass	N. A
6756948, 6756949, 6756950, 6756951, 6756956,	CHIRAMAX	7, 9, 17, 19, 35	Wordmark	14/12/2024	Formalities Chk Pass	N. A
6736253, 6736254	CHIRAMAX	37, 40	Wordmark	02/12/2024	Formalities Chk Pass	N. A

\* registered in the name of Malaxmi Group Private Limited. Our company has been granted right to use vide Memorandum of Understanding dated 26/12/2024

**VI. Material Licenses/ Approvals/Permission for which applications have been made by our Company but not received and/or yet to be applied by our Company**

Nil

**VII. Material Licenses/ Approvals/Permission which are required but not yet applied for by our Company**

Nil

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

1. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by a resolution by the Board of Directors passed at their meeting held January 11, 2025 on under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the members and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares in terms of this draft prospectus has been authorized by the shareholders by special resolution at the Extra Ordinary General Meeting held on January 13, 2025 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.
3. Our Company has received In-principal approval from BSE vide their letter dated [●] to use the name of BSE in this draft prospectus for listing of the Equity Shares on SME Platform of BSE. BSE Limited is the Designated Stock Exchange.
4. Our Board has approved the draft Prospectus through its resolution dated March 29, 2025.

### Confirmation:

- Our Company, our Promoters, Promoter Group, our directors, person(s) in control of the promoter or our Company 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 SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
- None of our Directors are in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors in the past 5 years except as disclosed in this draft prospectus.
- None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.
- There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.
- Neither our Company, nor our Promoters, our Directors, relatives (as per the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrower by the RBI or other governmental authority 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 under Section titled, ***“Outstanding Litigations and Material Developments”*** beginning on page no. 238 of this draft prospectus.
- 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.

### Eligibility for the Issue

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
  - Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
  - Neither our promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board
  - Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender
  - Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our directors, are Wilful Defaulters or Fraudulent Borrowers.

- The Issuer Company has no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer
- Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital would be less than 10 crores, and can issue Equity Shares to the public and propose to list the same on the **SME Platform of BSE Limited**.

**We further confirm that:**

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- ii. 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 refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- iii. In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per Form A of Schedule V to which the site visit report will also be annexed, including additional confirmations as provided in Form G of Schedule V along with the draft offer document to the SME Exchange(s), where the specified securities are proposed to be listed.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the SME Platform of BSE Limited.

Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus shall also be furnished to the SEBI in a soft copy.

- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Lead Manager and a 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 BSE Limited.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for SME Platform of BSE Limited, which are as under:**

❖ ***Incorporation: The Company shall be incorporated under the Companies Act, 1956/2013.***

Our Company is incorporated under the Companies Act, 1956 in India.

❖ ***Post Issue Paid up Capital: The post issue paid up capital of the company shall not be more than Rs. 25 crores.***

The post issue paid up capital of the company will be ₹ 5.48 crores. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹25 crores.

❖ ***Net worth of at least Rs. 1 crore for 2 preceding full financial years:***

As per restated financial statement, the net-worth of the company is ₹ 3.31 crores as on March 31, 2024 and ₹ 2.57 crores as on March 31, 2023. So, the company has fulfilled the criteria of having net-worth of at least ₹1.00 crores for 2 preceding full financial years. The details are as mentioned below:



₹ in lakhs

Details	31-03-2024	31-03-2023
Paid-up share capital	25.00	25.00
All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation	306.45	232.17
<b>Total</b>	<b>331.45</b>	<b>257.17</b>

❖ **Net Tangible Assets should be ₹ 3 crores in last preceding (full) financial year**

As per restated financial statement, the net tangible assets of the company is ₹ 3.31 crores as on March 31, 2024. So, the company has fulfilled the criteria of having net tangible assets of at least ₹3.00 crores in last preceding full financial years. The details are as mentioned below:

₹ in lakhs

Details	31-03-2024
<b>Total Assets</b>	<b>2576.79</b>
Less: Long Term Liabilities	(867.68)
Less: Short Term Liabilities	(1377.67)
<b>Net Assets</b>	<b>331.45</b>
Less: Intangible Assets	-
<b>Net Tangible Assets</b>	<b>331.45</b>

“net tangible assets” mean the sum of all net assets of the issuer, excluding intangible assets as defined in Accounting Standard 26 (AS 26) or Indian Accounting Standard (Ind AS) 38, as applicable, issued by the Institute of Chartered Accountants of India;

❖ **Track Record: The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years In case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document:**

**Provided that the restated financial statements of the issuer company prepared post conversion shall be in accordance with Schedule III of the Companies Act, 2013.**

Our company was incorporated on August 04, 2006 and having track record of more than 3 years.

❖ **Earnings before Interest, Depreciation and Tax: The company should have operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date.**

The Issuer Company is having operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date. So, the company has fulfilled these criteria. The details are as mentioned below:

(₹ in Lakhs)

Particulars	31-03-2024	31-03-2023	31-03-2022
Net Profit as Restated	60.34	42.05	93.62
Add: Depreciation	30.67	24.46	9.82
Add: Financial Charges	91.67	63.22	29.45
Add: Income Tax	53.91	53.33	34.26
Less: Other Income	(0.87)	(14.38)	(5.44)
<b>EBITDA (Operating Profit)</b>	<b>235.73</b>	<b>168.68</b>	<b>161.71</b>

❖ **Leverage ratio of the company is not more than 3:1.**

As per restated financials, the leverage ratio (Debt Equity ratio) of our company is 2.59:1. The details are as mentioned below:

(Amount Rs. In Lakhs, except ratio)

Particulars	30-09-2024
Total Borrowings (Debt)	1867.98
Total Net Worth (TNW) (Shareholders fund)	721.28
Debt Equity Ratio (Total Borrowing/TNW)	2.59

❖ **Disciplinary action:** We hereby confirm that;

- There is no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- The Promoter(s) or directors are not the promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and there is no applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
- Directors are not disqualified/ debarred by any of the Regulatory Authority.

❖ **Default:** There are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies.❖ **Name Change:** In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name or the activity suggesting name should have contributed to at least 50% of the revenue, calculated on a restated and consolidated basis, for the preceding one full financial year.

The company has not changed its name in last one year.

❖ **The composition of the board should be in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval**

The Company is in compliance with the requirements of the Companies Act, 2013, w.r.t. the composition of the Board of the Company at the time of seeking in-principle approval for Draft Prospectus and shall be in continuous compliance.

❖ **Other Requirements:** We further confirm that;

- 1) The Issuer Company has a live and operational website i.e., <https://chiraharit.com>
- 2) 100% of the Promoter's shareholding in the company are dematerialized.
- 3) Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated January 15, 2025, and National Securities Depository Limited dated August 23, 2024, for establishing connectivity.
- 4) There has been no change in the promoter(s) of Issuer Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
- 5) The Net worth computation has been calculated as per the definition given in SEBI (ICDR) Regulations
- 6) The Company has not been referred to NCLT under IBC.
- 7) There is no winding up petition against the company, which has been admitted by the court.

**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.**

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- ❖ The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform. BSE is the Designated Stock Exchange.
- ❖ Our Company has entered into an agreement dated August 23, 2024 with NSDL and agreement dated January 15, 2025 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- ❖ The entire pre-Issue share capital of our Company are fully paid-up and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- ❖ The Equity Shares held by the Promoters are dematerialized.
- ❖ There is no change of promoter of the issuer or there are no new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, in the preceding one year from date of filing application to BSE for listing on SME Platform of BSE Limited.
- ❖ There is no offer for sale by selling shareholders.
- ❖ The Objects of our Company does not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.

As per Regulation 230 (2) of the SEBI ICDR Regulations, our Company has ensured that:

- ❖ The amount for general corporate purposes, as mentioned in objects of the issue in the Draft Prospectus does not exceed fifteen per cent of the amount being raised by our Company or ₹10 crores, whichever is less.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE 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 ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATION 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR REGULATION, 2018.**

**THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:**

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**

8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE ‘MAIN OBJECTS’ LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)’, AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME PLATFORM OF BSE LIMITED.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.



- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE**.

#### DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this draft prospectus or in the advertisements or any other material issued by or at our Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

#### CAUTION

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on March 05, 2025 and the Underwriting Agreement dated [●], entered into between the Underwriters and our Company and the Market Making Agreement dated [●], entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company and the LM 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 LM 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, Group Companies, 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 Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and 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 ₹ 2,500.00 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, 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 prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this draft 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 **Hyderabad, Telangana** only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this draft 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 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 BSE LIMITED**

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE).

BSE Limited ("BSE") has vide its letter dated [●] given permission to "Chiraharit Limited" to use its name in the offer document as the Stock Exchange on whose Small and Medium Enterprises platform ("SME platform") the company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. BSE does not in any manner: -

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer documents; or
- ii. warrant that this company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the company and investors are informed to take the decision to invest in the equity shares of the company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the company is determined by the company in consultation with the Merchant Banker(s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The company has chosen the SME platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

#### **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 Issued 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 Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applicants 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.

## **LISTING**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE Limited. Our Company has obtained In-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE Limited.

BSE 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 SME Platform is not granted by BSE, our Company shall return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

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 BSE Limited mentioned above are taken within Three (3) Working Days of the Issue Closing Date.

## **FILING**

The Draft Prospectus is being filed with BSE Limited, at 20<sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra.

After getting in-principal approval from BSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Hyderabad, Telangana.

A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the prospectus. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*Shall be liable to action under Section 447 of the Companies, Act 2013.*

## **CONSENTS**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel or Senior Management, Our Peer Review Auditor, (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the draft prospectus with the RoC, as required under Sections

32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the draft prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations 2018, *M/s. G.P. Associates, Chartered Accountant*, our Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “Statement of Tax Benefits” relating to the possible tax benefits and restated financial statements as included in this draft 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 prospectus for filling with Roc.

## EXPERTS OPINION

Except for the reports in the Section, **“Statement of Possible Tax Benefits”** and **“Financial Statement as Restated”** on page no. 89 and page no. 180 of this draft prospectus from the Peer Review Auditors and Statutory Auditor respectively; our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

## PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS

Except as stated under Section titled **“Capital Structure”** beginning on page no. 58 of this draft prospectus our Company has not undertaken any previous public or rights issue. Further, we are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS

Since this is the initial public Issuing 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 since our incorporation.

## PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED GROUP-COMPANIES / SUBSIDIARIES/ ASSOCIATES 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 year except as mentioned in this draft prospectus. This is the initial public Issuing of our Company’s Equity Shares

## PERFORMANCE VIS-A-VIS OBJECTS–PUBLIC/RIGHT ISSUE OF OUR COMPANY

Except as stated under Section titled “Capital Structure” beginning on page 60 of this draft prospectus our Company has not undertaken any previous public or rights issue.

## PERFORMANCE VIS-A-VIS OBJECTS - LAST ONE PUBLIC/RIGHTS ISSUE OF LISTED SUBSIDIARIES / LISTED PROMOTERS:

We don’t have any listed company under the same management or any listed subsidiaries or any listed promoters as on date of this draft prospectus.

## OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY OUR COMPANY

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this draft prospectus.

## OPTION TO SUBSCRIBE

Equity Shares being issued through the draft prospectus can be applied for in dematerialized form only.

## STOCK MARKET DATA OF THE EQUITY SHARES

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Company has appointed “**Bigshare Services Private Limited**” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated March 17, 2025, amongst 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) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

## 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 shall appoint a person qualified to be a Company Secretary as the compliance officer who shall be responsible for monitoring the compliance of the securities laws and for redressal of investors’ grievances.

Our Company has appointed **Mr. Dixitula Venkata Kama Dixitulu**, Company Secretary, as 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:

**Dixitula Venkata Kama Dixitulu**

*Company Secretary & Compliance Officer*

**Chiraharit Limited**

Malaxmi Courtyard, Survey No. 157, Khajaguda Village,

Chitrapuri Colony Post,

Hyderabad, Telangana, India, 500104

**Contact No:** +91 [7738561210]

**Email ID:** [cs@chiraharit.com](mailto:cs@chiraharit.com)

**Website:** <https://chiraharit.com>

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)

**STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this draft prospectus and hence there are no pending investor complaints as on the date of this draft prospectus.

**DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY**

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

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

The Company has not sought for any exemptions from complying with any provisions of securities laws.

## PRICE INFORMATION OF LAST 10 (TEN) ISSUED HANDLED BY THE LEAD MANAGER

### Statement on Price Information of Last 10 (Ten) Issues handled by Finshore Management Services Limited:

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % 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	Holmarc Opto-Mechatronics Limited (NSE EMERGE)	11.40	40/-	25/09/2023	65.25	181.63 [-2.00]	166.38 [8.51]	125.38 [12.31]
2	Presstonic Engineering Limited (NSE EMERGE)	23.31	72/-	18/12/2023	140.00	146.11 [2.87]	69.51 [2.82]	59.44 [9.56]
3	HRH Next Services Limited (NSE EMERGE)	9.57	36/-	03/01/2024	41.00	18.47 [0.84]	-15.83 [4.39]	-11.11 [11.59]
4	Mayank Cattle Food Limited (BSE SME)	19.44	108/-	05/02/2024	116.00	4.68 [2.71]	22.22 [2.99]	83.15 [12.90]
5	Sylvan Plyboard (India) Limited (NSE EMERGE)	28.05	55/-	01/07/2024	66.00	107.09 [2.96]	70.09 [8.44]	52.73 [-1.36]
6	Solve Plastic Products Limited (NSE EMERGE)	11.85	91/-	21/08/2024	102.00	-32.20 [2.61]	-47.86 [-5.31]	-59.23 [-7.43]
7	Travels & Rentals Limited (BSE SME)	12.24	40/-	05/09/2024	55.00	281.00 [-0.62]	160.25 [-1.65]	41.38 [-11.09]
8	Dhanlaxmi Crop Science Limited (NSE EMERGE)	23.80	55/-	16/12/2024	104.50	17.00 [-6.05]	1.82 [-9.21]	N. A.
9	Indobell Insulations Limited (BSE SME)	10.14	46/-	13/01/2025	87.40	226.41 [-0.05]	N. A.	N. A.
10	Shanmuga Hospital Limited (BSE SME)	20.62	54/-	21/02/2025	54.00	-34.96 [2.12]	N. A.	N. A.

Status as on 28-03-2025

1. in case where the security is not being traded on 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, the previous working day has been considered.
2. in case where 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME/Startups and Nifty where securities have been listed in NSE Emerge.
4. N.A. – Period not completed

### Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount -180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	7	73.34	N. A	1	1	3	1	1	1	1	1	2	1	1
2022-23	12	117.85	N. A	3	3	4	N. A	2	2	2	2	4	N. A	2
2023-24	5	76.59	N. A	N. A	N. A	3	N. A	2	N. A	N. A	1	4	N. A	N. A
2024-25	6	106.71	N. A	2	N. A	3	N. A	1	1	N. A	N. A	1	1	N. A

Status as on 28-03-2025

The Lead Manager associated with the Offer have handled **30 SME** public issues and **Nil Main Board** public issue during the current financial year and three financial years preceding the current Financial Year, out of which 8 SME public issues closed below the issue price on the listing date.

Type	FY 2024-25*	FY 2023-24	FY 2022-23	FY 2021-22	Total
SME IPO	6	5	12	7	30
Main Board IPO	-	-	-	-	-
<b>Total</b>	<b>6</b>	<b>5</b>	<b>12</b>	<b>7</b>	<b>30</b>
Issue closed Below Issue Price on Listing Day	1	-	5	2	8
Issue closed above Issue Price on Listing Day	5	5	7	5	22

\*Status as on 28-03-2025

### TRACK RECORD OF PAST ISSUES HANDLED BY FINSHORE MANAGEMENT SERVICES LIMITED

For details regarding track record of LM 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 LM at: [www.finshoregroup.com](http://www.finshoregroup.com).



## SECTION XI: ISSUE 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 prospectus, the prospectus, the abridged draft prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the 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 Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e., just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Individual Investors who applies for minimum application size applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.*

### AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on **January 11, 2025** subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting held on **January 13, 2025**.

### RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association 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, ***“Description of Equity Shares and Terms of the Articles of Association”***, beginning on page 291 of this draft prospectus.

### OFFER FOR SALE

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our 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, for further details in relation to dividends, please refer to Sections titled, ***“Dividend Policy”*** and ***“Description of Equity Shares and Terms of the Articles of Association”***, beginning on page 179 and 291 respectively, of this draft prospectus.

### FACE VALUE AND ISSUE PRICE

The face value of the share of our company is ₹1/- per equity share and the issue price is ₹26/- per equity share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, ***“Basis for Issue Price”*** beginning on page 83 of this draft prospectus. 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

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. 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 of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, ***"Description of Equity Shares and Terms of the Articles of Association"***, beginning on page 291 of this draft prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated August 23, 2024 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated January 15, 2025 between our Company, CDSL and the Registrar to the Issue.

The trading of the Equity Shares will happen in the minimum contract size of 4,000 Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this draft prospectus will be done in multiples of 4,000 Equity Shares subject to a minimum allotment of 8,000 Equity Shares to the successful Applicants in terms of the SEBI (Amendment) Regulations, 2025 dated March 03, 2025.

In accordance with Regulation 267 (2) of the SEBI (Amended) Regulations, 2025, our Company shall ensure that the minimum application size shall be two (2) lots per application, provided that minimum application size shall be above Rs.2,00,000 (Rupees Two Lakh). The issuer shall invite applications in multiples of the lot size.

## MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 2 working days of closure of issue.

## JOINT HOLDERS

Where two (2) 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 Registered 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 this section shall upon the production of such evidence as may be required by the Board, elect either:

To register himself or herself as the holder of the Equity Shares; or to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other 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 will be made only in dematerialized form, there is no need to make a separate nomination with our Company. 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>ISSUE OPENS ON</b>	<b>[●]</b>
<b>ISSUE CLOSES ON</b>	<b>[●]</b>

- *In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.*
- *In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.*
- *In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the red herring prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.*
- *In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar unforeseen circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the draft prospectus, for a minimum period of one working day, subject to the provisions of sub-regulation 266(1).*

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 Issue Closing Date). On the 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 Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and SME Platform of BSE Limited 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 Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such 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 LM is liable for any failure in uploading the 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. Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to 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 Application Form, for a particular Applicant, the details as per the file received from BSE SME 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 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.

## **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of draft prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 4,000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, 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 BSE Limited.

## **APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

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 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 Application Form, the OCB shall be eligible to be considered for share allocation.

**RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "**Capital Structure**" on page 58 of this Draft Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. Moreover, there is no material clause of Article of Association that has been left out from disclosure having bearing on the IPO. For details, please refer chapter titled "**Description of Equity Shares and terms of the articles of association**" on page 291 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

**ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE Limited.

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

**MIGRATION TO MAIN BOARD**

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to Main Board. BSE has reviewed its criteria for Migration of SME Companies to BSE Main Board dated November 24, 2023 vide notice no. 20231124-55 effective from January 01, 2024 as follows:

Eligibility Criteria	Details
<b>Paid up capital and market capitalization</b>	Paid-up capital of more than Rs. 10 Crores and Market Capitalisation should be minimum Rs. 25 Crores. <i>(Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.)</i>
<b>Promoter holding</b>	Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.
<b>Financial Parameters</b>	<ul style="list-style-type: none"> <li>The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediately preceding Financial Year of making the migration application to Exchange.</li> </ul>



Eligibility Criteria	Details
	<ul style="list-style-type: none"> <li>The applicant company should have a Net worth of at least Rs. 15 crores for 2 preceding full financial years.</li> </ul>
<b>Track record of the company in terms of listing/ regulatory actions, etc.</b>	The applicant company is listed on SME Exchange/ Platform having nationwide terminals for atleast 3 years.
<b>Regulatory action</b>	<ul style="list-style-type: none"> <li>No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals.</li> <li>No Debarment of company, promoters/promoter group, subsidiary company by SEBI.</li> <li>No Disqualification/Debarment of directors of the company by any regulatory authority.</li> <li>The applicant company has not received any winding up petition admitted by a NCLT.</li> </ul>
<b>Public Shareholder:</b>	The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.
<b>Other parameters like No. of shareholders, utilization of funds</b>	<ul style="list-style-type: none"> <li>No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.</li> <li>No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies.</li> <li>The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform.</li> <li>The applicant company has no pending investor complaints.</li> <li>Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.</li> </ul>

**Notes:**

- Net worth definition to be considered as per definition in SEBI ICDR.
- Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
- The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
- If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
- The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal BSE standards.
- Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, they may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
- BSE decision w.r.t admission of securities for listing and trading is final.
- BSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.
- The companies are required to submit documents and comply with the extant norms.
- The company shall use BSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company



***As per the recent amendments of SEBI ICDR Regulation, 2018 dated March 03, 2025, please note:***

*Where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is increasing to more than Rs. 25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the SEBI (LODR) Regulations, as applicable to companies listed on the main board of the stock exchange(s).*

## **MARKET MAKING**

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein M/s. [●] is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, ***“General Information- Details of the Market Making Arrangements for this Issue”*** beginning on page 50 of this draft prospectus.

## **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.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in ***Hyderabad, Telangana, India.***

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital is less than ten crore rupees, issue shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this Issue, please refer to Sections titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 261 and 270 respectively, of this draft prospectus.

The present Issue of 1,48,00,000 Equity Shares at an issue price of ₹26/- each aggregating to ₹ 3848.00 Lakhs by our Company. The Issue and the Net Issue will constitute 27.00% and 25.66%, respectively of the post issue paid up equity share capital of the Issuer Company

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	1,40,60,000 Equity Shares	7,40,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	95.00% of the Issue Size	5.00% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 4,000 Equity Shares each.  For further details please refer to “ <i>Basis of Allotment</i> ” under Section titled “ <i>Issue Procedure</i> ” beginning on page 270 of this draft prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process or up to Rs. 5.00 lakhs through UPI for Individual Investors	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Individual Investors:</b> Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Bid size exceeds 2 lots. <b>For Individual Investors who applies for minimum application size:</b> 8,000 Equity Shares at Issue price of ₹26/- each so that the Application Value exceeds ₹2,00,000.	7,40,000 Equity Shares @ ₹26/- each
<b>Maximum Application Size</b>	<b>For Other than Individual Investors:</b> Such number of Equity Shares in multiples of 4,000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits <b>For Individual Investors who applies for minimum application size:</b> 8,000 Equity Shares at Issue price of ₹26/- each so that the Application Value exceeds ₹2,00,000.	7,40,000 Equity Shares @ ₹26/- each
<b>Trading Lot</b>	4,000 Equity Shares	4,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	<b>100% at the time of application</b>	<b>100% at the time of application</b>

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled “*Issue Structure*” beginning on page 268 of this Draft Prospectus.

\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- Minimum fifty per cent to individual investors who applies for minimum application size; and
- Remaining to: (i) individual applicants other than individual investors; and (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for; Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation: If the retail individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Offer to Public, please refer to chapter titled “*The Issue*” on page no. 46 of this Draft Prospectus.

## WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) 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 Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this draft prospectus, which our Company will apply for only after Allotment.

## ISSUE PROGRAMME

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with BSE SME	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on BSE SME	[●]

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE Limited are taken within 3 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws.

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 Application Form.

Standardization of cut-off time for uploading of application on the issue closing date:

- A standard cut-off time of 3.00 PM for acceptance of applications.
- A standard cut-off time of 4.00 PM for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 PM for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received upto the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. IST on the Issue Closing Date. Any time mentioned in this prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications 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 holiday).

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by Individual Investors through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“**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 bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Individual Investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to **continue with the UPI Phase II till further notice**. The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, (“UPI Streamlining Circular”) read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Draft Prospectus.

**Further, SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has further reduced the time period for refund of applications money from four days to two days from issue closing date viz. initiation not later than 09.30 am on T+2 day (T is issue Closing Date) and completion before 2.00 pm on T+2 day for fund transfer and completion before 4.00pm on T+2 day for unblocking.**

**SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is upto Rs. 5 Lakhs shall use UPI.**

**Further, as per SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/75 dated May 30, 2022. All ASBA applications in Public Issues shall be processed only after the application money is blocked in the investor's bank accounts. The provisions of the circular shall be for all issues opening from September 01, 2022 onwards.**

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus. Further, our 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 (UPI)***

SEBI has issued the various UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to 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 Individual Investors through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by Individual Investors through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public 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 SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

This Issue is mandatorily being made under Phase III of the UPI Mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

*Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*



*Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“UPI Streamlining Circular”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.*

*For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the Lead Manager will be required to compensate the concerned investor.*

## **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Individual Applicants who applies for minimum application size and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants. However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Individual Investors Category where Allotment to each Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant’s depository account along with Application Form. The Application Forms which do not have the details of the Applicants’ depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants’ PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.**

## **APPLICATION FORM**

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Individual Investors bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.



Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\* Excluding electronic Application Form.

\*\* Application forms will also be available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)). Same Application Form applies to all ASBA Applicants/ Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than Individual Investors using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Individual Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate Individual Investors (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

## WHO CAN APPLY?

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, 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. Applicants are requested to refer to the Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals' resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications from individuals;

- iv. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- v. QIBs;
- vi. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- vii. Qualified Foreign Investors subject to applicable law;
- viii. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- ix. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrelative constitutions to hold and invest in equity shares;
- x. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- xi. Insurance companies registered with IRDAI;
- xii. Mutual Funds registered with SEBI;
- xiii. FPIs other than Category III Foreign Portfolio Investor;
- xiv. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- xv. Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
- xvi. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications should not to be made by:**

- i. Minors (except through their Guardians)
- ii. Partnership firms
- iii. Foreign Nationals (except NRIs)
- iv. 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 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 Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the “U.S. Securities Act”) or the securities laws of any state of 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, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those 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.

*The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.*

**MAXIMUM AND MINIMUM APPLICATION SIZE:**

**1. For Individual Investors who applies for minimum application size:**

The Application must be for a minimum of 8,000 Equity Shares so as to ensure that the Application Price payable by the Applicant is above Rs 2,00,000. In case of revision of Applications, the Individual Investors have to ensure that the Application Price is greater than Rs 2,00,000. As the application price payable by the Individual Investors should be above Rs. 2,00,000, **they can make Application of 8,000 Equity Shares.**

## 2. For Other than Individual Investors (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares in multiples of 4,000 Equity Shares such that the Bid size exceeds 2 lots. 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 Applicant 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 Applicants, 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.

## 3. Minimum Bid Lot: 8,000 Equity Shares

### ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

As per SEBI ICDR Regulation 268

- a) The issuer shall not make an allotment pursuant to a public issue if the number of allottees in an initial public offer is less than 200 (Two Hundred).
- b) The issuer shall not make any allotment in excess of the specified securities offered through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the designated stock exchange.

Provided that in case of oversubscription, an allotment of not more than ten per cent. of the net offer to public may be made for the purpose of making allotment in minimum lots.

- c) The allotment of specified securities to applicants other than individual investors who applies for minimum application size, non-institutional investors and anchor investors shall be on proportionate basis within the specified investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed in the offer document: Provided that the value of specified securities allotted to any person, except in case of employees, in pursuance of reservation made under clause (a) of sub-regulation (1) or clause (a) of sub-regulation (2) of regulation 254, shall not exceed two lakhs rupees.

Subject to the availability of shares in non-institutional investors' category, the allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of these regulations.

- d) The Authorised employees of the Designated Stock Exchange, along with the Lead Manager and Registrar to the Issue, shall ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018 . read with SEBI ICDR (Amendment) Regulation 2025

### Notes on Allotment Process

#### Receipt & Validation of Bid data:

- Bid data is downloaded from the stock exchange(s) via SFTP and same is validated with depositories to check for Invalid demat accounts, Invalid client status and PAN Mismatch records.
- Upon completion of the validation, the error records are marked with respective rejection criteria.

#### Collection of FCs and Schedule Data:

- RTA will follow up with all SCSBs and collect the Final certificate confirming the total amount blocked and no. of applications along with schedule data comprising of detailed application wise details with number of shares applied and amount blocked.
- Reconciliation of bid data vs Bank schedule data will be completed, upon which applications without funds blocked, will be removed from application master.
- Once reconciliation of Final certificate with applications/ bids are completed, the final valid data with funds blocked will be taken for allotment process
- Technical rejection process as per the terms of letter of offer will be carried out thereafter and total valid applications will be identified for preparation of basis of allotment

**Basis of allotment**

- Basis of allotment will be prepared category wise, i.e., Individual investors who applies for minimum application size and High Networth Individual Investor who are applying with value more than Rs.2 lakhs and Market Maker.
- The applications will be tagged as per above category and considered for basis of allotment in respective category.
- The allocable shares for each category will be as per the offer document, in the proportion of subscription amongst each category, with a minimum allotment of 50% of the net issue to Retail category.

Within each basis of allotment, the number of applications is pooled based on lot category and proportionate eligibility of allotment of shares for each category calculated as per illustration of HNI basis as shown below:

**HNI basis: (Example)****Lot size: 1000 shares****Allocable shares as per Prospectus: 75000**

No. of Shares applied for (Category wise)	Number of applications received	Total No. of Shares applied in each category	% to total	Proportionate shares available	Allocation per Applicant (Before rounding off)	Allocation per Applicant (After rounding off)	Ratio of allottees to applicants	No. of successful applicants (after rounding off)	Total No. of Shares allocated/ allotted	Surplus / Deficit [14]-[7]
(1)	(2)	(3) = (1*2)	(4)	(5) = 75000 * (4)/100	(6) = (5)/(2)	(7)	(8)	(9)	(10) = (9) * (7)	(11)
1000	30	30000	26.09	19568	652.26	1000	2:3	20	20000	-432
2000	20	40000	34.78	26085	1304.25	1000	FIRM	20	20000	85
						1000	3:10		6000	
3000	15	45000	39.13	29347	1956.46	1000	FIRM	15	15000	347
						1000	14:15		14000	
		115000		75000						0

**Allotment Procedure**

1. In the event of over subscription in any of the IPO, the lottery system allotment is strictly random and there is absolutely no scope of discretion.
2. Registrar to share the valid data and the reverse application number data with the external auditor, company and the lead Manager, before incorporating drawl of lots/lucky numbers in the RTA database
3. Based on the oversubscription in the respective category (i.e., lot size's), the drawl of lots/lucky no(s) to be shared by the Designated Stock Exchange against each ratio.
4. The Registrar incorporates the drawl of lots/lucky numbers in the RTA Data base, as per the following order.
  - a. Prepare the Net Valid Data (excluding technical rejections, if any)
  - b. Generate each Category wise (lot size wise) Running Serial No. on the following Order
    - i. Share Category (i.e., lot size)
    - ii. Reverse the Application No. (example appl no 12345678 and reversed to 87654321)
    - iii. PAN
  - c. If ration is 2: 5, the 2 lucky numbers in the range will be shared by the designated stock exchange
  - d. The total no. of applications received in this category/lot size will be segregated into buckets of 5 each.
  - e. Every 3rd & 4th application in this bucket will get the allotment from every bucket, assuming that the lucky numbers given by the Designated Exchange are 3 & 4 for this category.
  - f. The process needs to be repeated for all the categories wherever oversubscription, the allotment needs to be done on lottery basis/drawl of lots.
5. The registrar needs to tally the allocation for each category wise with the Basis of Allotment approved by designated stock exchange.
6. The Registrar shares the allotment register with the company's appointed auditor to check the drawl of lots/lucky numbers assigned to correct investors and confirm.

Allotment will be made in consultation with the Designated Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as mentioned above

**The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Individual Investors who applies for minimum application size as described below:**

- As per Regulation 253(2) of the SEBI (ICDR) Regulations 2018, as the Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

- Remaining to Individual applicants other than individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- The unsubscribed portion in either of the categories specified in (i) or (ii) above may be available for allocation to the applicants in the other category, if so required.

“Individual Investor” means an investor who applies for minimum 2 lots per application such that minimum application size is above ₹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 the designated stock exchange.

#### **PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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 Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate 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 Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **APPLICATIONS BY ELIGIBLE NRI’S**

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).



**APPLICATIONS BY HUF**

Application by Hindu Undivided Families or HUFs should be in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Application by HUFs will be considered at par with Applications by individuals.

**APPLICATIONS BY FPI’S**

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) is not permitted to exceed 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 upto the sectoral 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 the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

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 a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

**APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason therefor.

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 bank’s own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank’s interest on loans/investments made to a company. The bank is required to submit a timebound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company’s paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.



**APPLICATIONS 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 applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

**APPLICATIONS BY SEBI REGISTERED VENTURE CAPITAL FUNDS, ALTERNATIVE INVESTMENT FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

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 1/3<sup>rd</sup> 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 Regulations.

All Non-Resident Applicants including Eligible NRIs, 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 / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the draft prospectus with SEBI. However, such equity shares shall be locked in for a period of at least one year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

**APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications 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 Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

**APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "IRDAI Investment Regulations") are broadly set forth below:

- a) Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company 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 points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### **APPLICATIONS BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor.

#### **APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

*The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this draft prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application 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 this draft prospectus.*

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)**

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the 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 Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA 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 Application Form, please refer the above-mentioned SEBI link.

**METHOD AND PROCESS OF APPLICATIONS**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the 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 Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants 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.

**TERMS OF PAYMENT**

The entire Issue price of ₹26/- 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 Applicants.

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 applicants 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 Applicants.

**PAYMENT MECHANISM**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the 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 Applicants shall neither withdraw nor lower the size of their applications at any stage.** In the event of withdrawal or rejection of the Application Form or for unsuccessful 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 Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the 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 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 Lead Manager on a regular basis.
6. With respect to applications by Applicants, 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 Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sl. No.	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;

- Client Identification Number of the demat account of the Applicant;
  - 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 an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA 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 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-Individual Investors and Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the Draft 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 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 Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the 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 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.

## ALLOCATION OF EQUITY SHARES

- 1) The Issue is being made through the Fixed Price Process wherein 7,40,000 Equity Shares shall be reserved for Market Maker and 1,40,60,000 Equity shares (Net Issue) will be allocated on a proportionate basis to Individual Investors and Non-Individual Investors.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Individual Investors shall not be allowed to either withdraw or lower the size of their applications at any stage and retail individual investors can withdraw or revise their bids till issue closure date.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

## PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations in the same newspapers in which the public announcement under sub regulation (4) of Regulation 250 was published i.e. (i) English National Daily Newspaper; (ii) Hindi National Daily Newspaper and (iii) Regional Language Newspaper each with wide circulation where the registered office of the Company is situated.



## ISSUANCE OF ALLOTMENT ADVICE (CAN)

- 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. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants 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 Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants 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 DATES

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with BSE SME	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on BSE SME	[●]

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE Limited are taken within 3 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals. All applicants (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process 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);
- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account or UPI ID, as applicable) in the Application Form if you are not a Individual Investor bidding using the UPI Mechanism in the Application Form and if you are a Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or



- RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the draft prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only except as mentioned in *SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021*;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount less than 2 (two) lots such that the application amount exceeds Rs. 2,00,000/- (for applications by Individual Investors);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than one application from one bank account.
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

**Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the 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. Application Forms should bear the stamp of the Designated Intermediaries. ASBA 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 Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com).

**Applicant'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 application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the 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, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant 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 Application Form***

All 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 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 Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of 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 the SME platform of BSE Limited 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:

- Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
- 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
- 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 Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Individual Investors who applied, the Company has a right to reject Applications based on technical grounds.

## **OTHER INSTRUCTIONS FOR THE APPLICANTS**

### ***Joint Applications***

In the case of Joint Applications, the Applications should be made in the name of the Applicant 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 Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### Multiple Applications

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

### IMPERSONATION:

*Attention of the application is specifically drawn to the provisions of the 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.
- d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount.”

### 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 APPLICANT

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 Applicants should inform their respective DP.

### GROUND FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the firm. However, a Limited Liability Partnership can apply in its own name.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third-party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- Category not ticked;
- Multiple Applications as defined in this draft prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and draft prospectus as per the instructions in this draft prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;

- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants, other Individual Investors, not submitted through ASBA process and Applications by Individual Investors not submitted through ASBA process or the UPI process;
- Failure of Individual Investors to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Individual Investors applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALIZING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 3 (three) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 3 (three) Working Days of the Issue Closing Date.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) The issue is 100% underwritten. Our company has entered into an Underwriting Agreement dated [●] with Lead Manager. For Further information, please refer section “*General Information*” beginning from page no 50 of this draft prospectus.
- b) A copy of prospectus will be filled with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

#### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (three) Working days of Issue Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the issue by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That the promoters’ contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in

accordance with applicable provisions in these regulations.

- 6) That no further issue of securities shall be made except pursuant to an Employee Stock Option Scheme or a Stock Appreciation Right Scheme till the securities offered through the draft prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the 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) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

#### 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.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 5) The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

#### 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 had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated August 23, 2024 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated January 15, 2025 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. **"INE12P101018"**



**RESTRICTIONS OF FOREIGN OWNERSHIP OF INDIAN SECURITIES**

There are two routes through which foreign investors may invest in India. One is the “automatic route”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “government route”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

RBI has also issued Master Direction- Foreign Investment in India dated January 4, 2018. In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to consult their legal counsel, to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.



## DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

### THE COMPANIES ACT 2013 (COMPANY LIMITED BY SHARES)

### \*\*\*ARTICLES OF ASSOCIATION OF CHIRAHARIT LIMITED

Subject as hereinafter provided, the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

#### I. INTERPRETATION

1. In these regulations—
  - i) "Act" means the Companies Act, 2013,
  - ii) "Company" is **CHIRAHARIT LIMITED**, a Public Limited Company registered under the laws of India and having its registered office in the State of Telangana.
  - iii) Rules means the relevant Rules under the Companies Act, 2013 pertaining to the specific Sections.
  - iv) "Section" refers to the Sections of Companies Act, 2013.
  - v) "Securities" means and includes equity shares, preference shares – redeemable preference share or Convertible (whether partly, fully or compulsorily) redeemable preference shares, debentures – whether partly, fully or compulsorily convertible, debenture stock, bonds, share warrants and any other security as mentioned in clause 2(h) of Securities Contract Regulation Act, 1956.
  - vi) "Year" means 1st April to 31st March respectively.
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.

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**\*\*\* Adoption of New Set of Articles pursuant to conversion from "Private Limited Company" to a "Public Limited Company" vide Special Resolution passed by members in their meeting held on 19<sup>th</sup> November 2024.**

#### Public Company

3. As per Section 2(71) of the Companies Act, 2013 "Public Company" means a Company which—
  - i) Is not a Private Company-  
Provided that a Company which is a subsidiary of a Company, not being a Private Company, shall be deemed to be a Public Company for the purpose of this Act even where such Subsidiary Company continues to be a Private Company in its articles;

#### II. SHARE CAPITAL AND IN VARIATION OF RIGHTS

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting

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) The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
- iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon;
- iv) 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 recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to 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.

i) The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws:

a) Equity share capital:

- with voting rights; and/or
- with differential rights as to dividend, voting or otherwise in accordance with the Act; and

b) Preference share capital.

ii) 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.

iii) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered in compliance with the relevant provisions of Companies Act, 2013 and any other applicable law.

iv) The Companies may issue securities to employees under any scheme of employees' stock option subject to provisions of the Act, the Rules and such other conditions, as may be prescribed under the applicable law; or

v) The Company shall have the power, subject to and in accordance with the provisions of this Act and other relevant regulations in this regard from time to time, to issue sweat equity shares to employees and/ or Directors on such terms and conditions and in such manner as may be prescribed in the act, from time to time.

vi) Notwithstanding anything contained in sub-clauses(s), the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into shares or to subscribe for shares in the Company or the Directors may allot and issue shares in capital of the Company on full payment or part payment for any property, Assets, goods or machinery supplied sold or transferred or for services rendered to the Company as provided under Section 62(3) of the Act.

vii) **De-materialization of Shares**

a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act.

b) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.

c) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

d) In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply. Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 and any other applicable Section as amended of the Depositories Act shall apply so far as applicable.

e) Every Depository shall furnish to the Company, information about the transfer of securities in the name of the

Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.

- f) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

### 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. Every fully paid share shall be free from all lien and in the case of partly paid shares the issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares.
- 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.

#### 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—

- i) unless a sum in respect of which the lien exists is presently payable; or
- ii) 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 instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16.

- i) 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.
- ii) 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—

- i) 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
- ii) 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.

20. The Board may, subject to the right of appeal conferred by Section 58 decline to register—

- i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- ii) any transfer of shares on which the Company has a lien.
- iii) Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
- iv) The common form of transfer shall be used by the Company.

21. The Board may decline to recognize any instrument of transfer unless—

- i) the instrument of transfer is in the form as prescribed in rules made under sub-Section (1) of Section 56;
- ii) 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
- iii) The instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with Section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### Transmission of shares

23.

- 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.

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 afore said as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

~~27. In case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognized by the Company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such event by the Board of the Company such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the Company was entitled or liable on becoming member such nominee shall nominate any other person with the prior written consent of such person who shall in the event of the death of the member become the member of the Company.~~

### Forfeiture of shares

28. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time there after during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

- i) 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
- ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.



30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 31.
- 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.
- 32.
- 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.
- 33.
- 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 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.
  - 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.
34. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### *Alteration of capital*

35. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
36. Subject to the provisions of Section 61, the Company may, by ordinary resolution,—
- 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;
  - 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.
37. Where shares are converted into stock, —
- i) 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 a minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - ii) 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.

- iii) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —

- i) its share capital;
- ii) any capital redemption reserve account; or
- iii) any share premium account.

#### **Capitalization of Profit**

39.

- i) The Company in general meeting may, upon the recommendation of the Board, resolve—
  - a) 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;
  - b) (i) 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.
- ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (i), 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);
  - d) 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;
  - e) The board shall give effect to the resolution passed by the Company in pursuance of this regulation.

40.

- 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 allotments and issues of fully paid shares if any; and
  - b) 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
- iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

#### **Buy-back of shares**

41. Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

### **General meetings**

42. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
43. The Board may, whenever it thinks fit, call an extraordinary general meeting.  
If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### **Proceedings at general meetings**

- 44.
- 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.
45. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
48. ~~In case of a One Person Company the resolution required to be passed at the general meetings of the Company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the Company and entered in the minutes book maintained under Section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.~~

### **Adjournment of meeting**

- 49.
- 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**

50. 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; and
  - ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
51. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.

**52.**

- 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.

**53.** A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

**54.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

**55.** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**56.**

- 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**

**57.** 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.

**58.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.

**59.** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **Board of Directors**

**60.** 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 First Directors of the Company are (i) Y. Harish Chandra Prasad and (ii) Y. Tejaswini

**61.**

- i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- ii) 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—
  - a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
  - b) in connection with the business of the Company.

62. The Board may pay all expenses incurred in getting up and registering with the Company.
63. The Company may exercise the powers conferred on it by Section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that Section) make and vary such regulations as it may think fit respecting the keeping of any such register.
64. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 66.
- i)
    - a) 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 Act.
    - b) 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.
  - ii) **Managing Director(s)/Whole Time Director(s)/Key Managerial Personnel:** The Managing Director or Whole Time Director shall be appointed in compliance with the Provisions of Companies Act, 2013 and any other applicable law in force.
  - iii) **Powers and duties of Managing Director or whole-time Director:** The Managing Director/Whole-time Director shall be subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

#### Proceedings of the Board

- 67.
- i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
  - ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 68.
- 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.
69. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
- 70.
- 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 the members to be Chairperson of the meeting.

**71.**

- 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

**72.**

- i) A committee may elect a Chairperson of its meetings.
- ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of the members to be Chairperson of the meeting.

**73.**

- 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.

**74.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

**75.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**76.** ~~In case of a One Person Company where the Company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under Section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.~~

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

**77.** Subject to the provisions of the Act, —

- 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.

**78.** 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.

#### **The Seal**

**79.** The Seal shall mean the stamp of the Company.



**Dividends and Reserve**

- 80.** The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 81.** Subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- 82.**
- 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, thinks 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.
- 83.**
- 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.
- 84.** The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- 85.**
- 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.
- 86.** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 87.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 88.** No dividend shall bear interest against the Company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law.

***Accounts***

- 89.**
- 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***

**90.** 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***

**91.** Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

***Others***

**92. Issue of Debentures and Other Securities**

Subject to the applicable provisions of the Act and other applicable Law, Company may offer, issue and allot any debentures, debenture stock or other Securities including an option to convert into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) the General Meeting, and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued subject to the provisions of the Act. The Company shall have the power to issue non-convertible debentures subject to the provisions of the Act.

Sl.No.	Names and addresses, descriptions and occupation of subscribers and signatures	Name, address, description, occupation, and signature of witness
1.	Y. Harish Chandra Prasad s/o Late Y. Sree Ramulu Plot No.G2, Plot No.24 Road No.2 & 8, Jubilee Hills Hyderabad-500 033 Andhra Pradesh Occupation: Business Sd/-	<p style="text-align: center;">Sridevi Surender D/o. S Surender 401, SMR Vinay residency West marriedpally Secunderabad – 500026 Occupation: Service</p>
2.	Y. Tejaswini W/o. Y. Harish Chandra Prasad Plot No.G2, Plot No.24 Road No.2 &8, Jubilee Hills Hyderabad-500 033 Andhra Pradesh Occupation: House Wife Sd/-	

## SECTION XII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the draft prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the prospectus delivered to the RoC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at Malaxmi Courtyard, Survey No. 157, Khajaguda Village, Chitrapuri Colony Post, Hyderabad, Telangana, India, 500104 between 10.00 a.m. to 5.00 p.m. (IST) on all working days and will also be available at the website of our company <https://chiraharit.com> from the date of the draft prospectus until issue closing date.

#### A. MATERIAL CONTRACTS TO THE ISSUE

1. Issue Agreement dated March 05, 2025 entered into among our Company and the Lead Manager.
2. Agreement dated March 17, 2025 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated August 23, 2024 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated January 15, 2025 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement [●] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company and the Lead Manager.

#### B. MATERIAL DOCUMENTS

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporations of our Company dated August 04, 2006 issued by Registrar of Companies, Andhra Pradesh, September 18, 2015 and May 30, 2016 issued by Registrar of Companies, Hyderabad and December 02, 2024 issued by Registrar of Companies, CPC.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated January 11, 2025 and January 13, 2025 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company for the six months ended September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.
5. Peer Review Auditors Report dated March 25, 2025 on Restated Financial Statements of our Company for the six months ended September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.
6. Copy of Statement of tax benefits dated March 25, 2025, from the Statutory Auditor included in this draft prospectus.
7. Consents of Promoters, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Legal Advisor to the Issue, Banker to the Issue & Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the draft prospectus to act in their respective capacities.
8. Certificate on KPI's issued by the Statutory Auditor M/s. G.P. Associates, Chartered Accountants, vide their certificate dated March 25, 2025.
9. Site Visit Report of our Company prepared by the Lead Manager.

10. In-principle listing approval dated [●] from BSE Limited for listing the Equity Shares on the SME Platform of BSE.
11. Due Diligence certificate dated [●] submitted to SEBI after filing the prospectus with RoC.

Any of the contracts or documents mentioned in this draft prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Pavan Kumar Bang**  
Managing Director & CEO  
DIN: 03614791

Date: March 29, 2025

Place: Hyderabad, Telangana



**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Venkata Ramana Reddy Gaggenapalli**

Executive Director

DIN: 07532133

Date: March 29, 2025

Place: Hyderabad, Telangana

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Tejaswini Yarlagadda**

Non-Executive Director

DIN: 00232268

Date: March 29, 2025

Place: Hyderabad, Telangana

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Venkata Chakrapani Chaturvedula**

Independent Director

DIN: 10813796

Date: March 29, 2025

Place: Hyderabad, Telangana

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY:**

Sd/-

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**Anantha Krishna Nageshwara**

Independent Director

DIN: 08455478

Date: March 29, 2025

Place: Hyderabad, Telangana

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

Sd/-

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**Gudla Rama Chandra Rao**  
Chief Financial Officer

Date: March 29, 2025

Place: Hyderabad, Telangana

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this draft 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 prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

Sd/-

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**Dixitula Venkata Kama Dixitulu**  
Company Secretary & Compliance Officer

Date: March 29, 2025

Place: Hyderabad, Telangana