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AUSTRALIAN PREMIUM SOLAR (INDIA) LIMITED

Corporate Identification Number: U40300GJ2013PLC075244

Our Company was originally incorporated as “Australian Solar Panel (India) Private Limited” as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated May 23, 2013 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our company was changed from “Australian Solar Panel (India) Private Limited” to “Australian Premium Solar (India) Private Limited”, pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on November 27, 2013, vide Certificate of Incorporation dated November 28, 2013, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated July 24, 2023 and consequently, the name of our Company was changed from “Australian Premium Solar (India) Private Limited” to “Australian Premium Solar (India) Limited” and a fresh certificate of incorporation dated August 03, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U40300GJ2013PLC075244.

Registered Office: Tajpur, NH-08 TA-Prantij, Sabarkantha Gujarat- 383205 India

Website: www.australianpremiumsolar.co.in; **E-Mail:** compliance@australianpremiumsolar.co.in **Telephone No:** +91 87359 32511

Company Secretary and Compliance Officer: Ms. Anjeeta Chaorasia

PROMOTERS OF OUR COMPANY: MR. CHIMANBHAI RANCHHODHBHAI PATEL, MRS. SAVITABEN CHIMANBHAI PATEL AND MR. NIKUNJKUMAR CHIMANLAL PATEL

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

INITIAL PUBLIC ISSUE OF 5200000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF AUSTRALIAN PREMIUM SOLAR (INDIA) LIMITED (“APS” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH 260000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 4940000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.34 % AND 25.03%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

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

Potential Bidders may note the following:

- In the sections, “General Information”, “Risk Factors”, “Object of the Issue”, “Business Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Government Approval” provided herein below as part of Addendum, modifications have been updated.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus, as and when filed with the ROC, the SEBI and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus

On behalf of Australian Premium Solar (India) Limited

Sd/-

Place: Ahmedabad

Date: December 12, 2023

Nikunj Kumar Chimanlal Patel

Chairman and Managing Director

BOOK RUNNING LEAD MANAGER



BEELINE CAPITAL ADVISORS PRIVATE LIMITED
SEBI Registration Number: INM000012917
Address: Shilp Corporate Park, B Block, 13th Floor, B-1311-1314, Near Rajpath Club, Rajpath Rangoli Road, S.G. Highway, Ahmedabad, Gujarat- 380054, India.
Telephone Number: 079 49185784
Email Id: mb@beelinemb.com
Investors Grievance Id: ig@beelinemb.com
Website: www.beelinemb.com
Contact Person: Mr. Nikhil Shah
CIN: U67190GJ2020PTC114322

REGISTRAR TO THE ISSUE



LINK INTIME INDIA PRIVATE LIMITED
SEBI Registration Number: INR000004058
Address: C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India **Tel. Number:** +91 22 4918 6200
Fax- 022 - 4918 6060
Email Id: australianpremium.ipo@linkintime.co.in
Investors Grievance Id: australianpremium.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Goapalkrishnan
CIN: U67190MH1999PTC118368

BID/ISSUE PERIOD

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

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

1. GENERAL INFORMATION:

a. Peer Review number of the Auditor is updated as follows:

STATUTORY & PEER REVIEW AUDITORS OF THE COMPANY
M/s. Sanjay Bajoria & Associates Address: 207, Sampada, Near- Mithakhali Six Roads, Ahmedabad, Gujarat- 380009. Tel No: 079- 6631 8660/61 Email: shah.kalpesh@rediffmail.com Contact Person: Kalpesh R Shah Membership No: 103301 Peer Review No: 012611

2. RISK FACTOR:

a. Existing Risk Factor 11 has been updated as follows:

Our company is engaged in providing EPC service of solar rooftops and solar pumps and receives subsidy from state/central government for residential rooftop and agricultural segment. Any reduction or discontinuation of such subsidy will result in reduction in number of potential consumers.

We provide EPC Services for solar roof top projects to Residential, Industrial and Commercial customers. We provide EPC Services for Solar Pumps to Agricultural customers for their captive purpose. For residential rooftop and solar pumps projects for agricultural purposes we are eligible for claiming subsidy from State/Central Government.

In majority of the cases, company directly claims subsidy from state/Central government upon successful installation of residential rooftop and solar pumps projects. For seeking subsidy, the project needs to be registered first before competent authority and only after receipt of registration the same shall be implemented. Any delay in getting the subsidy amount from state government will affect our working capital cycle. The details of subsidy received in the last three financial years has been provided below:

(₹ In Lakhs)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Opening balance of subsidy receivable	560.08	698.67	524.85
Subsidy Claimed during the year	962.78	2,403.59	1,324.65
Subsidy Received during the year	993.02	2,542.18	1,150.83
Closing balance of subsidy receivable	529.84	560.08	698.67

In addition, if there is any reduction or any discontinuance of subsidy from State/Central Government, we may require charging total cost of project from customers which will ultimately results higher cost to the customer. As a result, number of potential consumers of our services may reduce which will ultimately affect our potential revenue in future to that extent.

b. Existing Risk Factor 14 has been updated as follows:

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

In the past, our company has at several instances, delayed in filing GST returns and deposit of statutory dues with regards to EPF, 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. The details of the same has been mentioned below:

GST:

Financial Years	State	Return Type	Total Number of Establishments	Establishments with Delayed Filings
2023-2024	Gujarat	GSTR-3B	2	1
2022-2023	Gujarat	GSTR-3B	2	1
2021-2022	Gujarat	GSTR-3B	2	1
2020-2021	Gujarat	GSTR-3B	2	1
2019-2020	Gujarat	GSTR-3B	2	1
2018-2019	Gujarat	GSTR-3B	2	1
2017-2018	Gujarat	GSTR-3B	2	1

EPF:

There have been delays in EPF payments from FY 2018-19 to FY 2023-24.

Although the late filing fees levied are small but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no-show cause notice has been issued against our Company till date, in respect of above. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

ESIC:

1. M/s. Australian Premium Solar (India) Limited (hereinafter referred to as the “noticee”) have been received with a notice dated May 29, 2022 under the provisions of Employee State Insurance (ESI) Act, 1948, stating that the notice has failed to pay the contribution due for the month(s) of September 2019 and onwards and requiring the noticee to pay the due contribution within the period specified as per Regulation 31 of the ESI (General) Regulation, 1950. However, the Company shifted its manufacturing facilities and registered office to Sabarkantha district of Gujarat w.e.f. July 31, 2019. The Sabarkantha district which has been partially notified for the purpose of deduction and deposit of ESIC. Therefore, the Company was not required to collect and deposit the ESIC. A reply inter-alia explaining the foregoing has been submitted to the concerned authority on June 12, 2022 for which no revert was received from the concerned department.
2. M/s. Australian Premium Solar (India) Limited (hereinafter referred to as the “noticee”) have been received with a notice dated May 19, 2022 under the provisions of Employee State Insurance (ESI) Act, 1948, requiring the noticee to show cause why damages for delayed submission of the contribution not be levied against the noticee for delayed deposit of due contribution and have been required to appear before the Assistant Director, Authorised Officer, ESIC, Regional office, Ahmedabad and due reply in respect of same has been submitted to the concerned authority and for which Company had been required to deposit an amount of ₹ 229 and ₹ 550 towards the interest on delayed deposit of the contribution amount and the same has been paid on November 01, 2023 and the matter has accordingly been settled.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “Outstanding Litigations and Material Developments” beginning on page 214 of this Draft Red Herring Prospectus.

c. Existing Risk Factor 32 has been renumbered to risk factor 19:

d. Existing Risk Factor 25 has been updated as follows:

In addition to normal remuneration, other benefits and reimbursement of expenses to Promoters and Directors; they are interested to the extent of their shareholding and dividend entitlement thereon in the Company and for the transactions entered into between Company and themselves as well as between the Company and their Group Companies/Entities. The Company in future may enter in related party transactions subject to necessary compliances

The Promoter – Directors are interested in the Company to the extent of their shareholding and dividend entitlement thereon in the Company, in addition to normal remuneration or benefits and reimbursement of expenses. The Promoter and Directors are interested in the transactions entered into between the Company and themselves as well as between the Company and their Group Company/Entity. All transactions with related parties entered into by the company in the past were at arm’s length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Out of total revenue of the company Related Party Transactions for the last three financial years are as follows:

(Amount in ₹ lakhs)

<u>Particulars</u>	<u>FY 2022-23</u>	<u>FY 2021-22</u>	<u>FY 2020-21</u>
<u>Revenue from Operation</u>	<u>9455.92</u>	<u>9812.13</u>	<u>7416.24</u>
<u>Sales with Related Party</u>	<u>584.65</u>	<u>328.42</u>	<u>35.70</u>
<u>% of Revenue from Operation</u>	<u>6.18%</u>	<u>3.35%</u>	<u>0.48%</u>

The company, promoter and group companies may enter into such related party transaction in future as well which may or may not be at Arms’ Length Price and in Ordinary Course of Business. If such future transactions are not on Arms’ Length Price and in Ordinary Course of Business, the financial position may get affected to that extent. Additionally, Company may enter in related party transactions in future subject to necessary compliances in accordance with relevant acts, rules and regulations. For details of transactions already executed by the Company with Promoter, Directors and Group Companies/Entities during last three years, please refer to the “Annexure J – Related

Party Transaction” under the Chapter titled “Restated Financial Information” beginning on Page No. 158 of this Draft Red Herring Prospectus.

e. New risk factors have been included as follows:

1. *Company derives a significant portion of revenue from manufacturing solar panels and any reduction in the production of such products could have an adverse effect on the business, results of operations and financial condition.*

Company derives a significant portion of revenue from manufacturing solar panels and any reduction in the production of such products could have an adverse effect on the business, results of operations and financial condition. Company have generated ₹ 6,403.04 Lakhs, ₹ 3,233.94 Lakhs and ₹3,945.23 Lakhs from Manufacturing of solar panels consisting of amounting to 67.71%, 32.96% and 53.20% of the total revenue from operations for the financial year ended on March 31, 2023, 2022 and 2021. Consequently, any reduction in a temporary or permanent discontinuation of manufacturing of manufacturing of solar panels could have an adverse effect on business of the company, results of operations and financial condition.

2. *The Company face competition in business from domestic as well as global competitors. Such competition would have an adverse impact on business and financial performance.*

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

3. *Solar photovoltaic (“PV”) module and related technologies in which they operate may not achieve the anticipated growth.*

The company faces the risk that the solar photovoltaic (“PV”) module and related technologies in which we operate may not achieve the anticipated growth. We derive the majority of the revenue from manufacturing solar panels. Though we are planning to expand aggressively into EPC services of solar systems and solar pump vertical, as it has higher margins, the future performance and growth of the company are substantially dependent on the successful expansion and adoption of solar photovoltaic (“PV”) module and related technologies. Several factors may contribute to this risk, including but not limited to Regulatory and Policy Changes, Competitive Landscape, Competitive Landscape, Consumer Adoption and Awareness and Energy Storage Solutions.

4. *The company relies on third party service providers for fewer transactions under EPC installation vertical.*

The Company is engaged in the business of manufacturing of Solar Panels and EPC Services of solar systems. Under EPC services, they provide installation services for solar panels and solar pumps. Such installation services are carried out by third party service providers in different cities. Any decline in the quality of services or delay in services by such parties or rise in commission expenses may adversely affect the operations. Further there can be no assurance that such parties shall continuously provide their services or would not cater to demand of competitors. Any withdrawal of services from such channel partners or supply of services to competitors at better rates may adversely affect the result of operations and future prospects.

5. *Technological changes, evolving customer requirements and emerging industry trends may affect the business, may render our current technologies obsolete and may require making substantial capital investments.*

The company is primarily engaged in the manufacturing of Solar Panels and EPC Services of solar systems. The business operations are inherently influenced by technological advancements, shifting customer preferences, and emerging industry trends. Advancements in technology can render our current products and services obsolete. Failure to adapt to these changes in a timely manner may affect operations and financial position. Further, Changes in customer preferences, expectations, and demands may necessitate the development of new technology or the enhancement of existing ones. Failure to meet evolving customer requirements could result in reduced customer loyalty. In order to Stay competitive in the face of technological changes and evolving customer requirements may require substantial capital investments in research and development, product development, and infrastructure upgrades. Failure to allocate resources appropriately may impede their ability to remain relevant in the market.

6. *Although entire due amount, till the date of application, has been paid, we do not have Registration under State Tax on Professions, Trade and Callings Act (“Profession Tax”) and we are not sure if any penalty shall be applicable to us in respect of same.*

Our company has made application for registration under State Tax on Professions, Trade and Callings Act with payment of entire due amount, payable till the date of application. Although application has been made, our company has not been issued with Profession Tax registration and Profession Tax enrolment certificates. We are not sure when we shall receive the registration certificate in respect of same. Although we have been regular in depositing the applicable profession tax with the concerned Gram Panchayat, and according to our records and understanding, there are no dues payable by us to any of the concerned authority in respect of same, we are not sure any demand shall not be raised against us or at all or any penalty shall not be levied against us for non-possession of the respective profession tax number and in any such adverse events, our financials and goodwill shall be adversely affected.

3. **OBJECT OF THE ISSUE:**

- a. **Heading titled of the columns of the table disclosing basis of estimation of working capital requirement and estimated working capital requirement has been modified as follows:**

(Amount in ₹ Lakhs)

Particulars	As on March 31,				
	2021 (Restated)	2022 (Restated)	2023 (Restated)	2024 (Projected)	2025 (Projected)
Inventories					
Raw Material	422.22	290.33	262.49	485.79	971.58
Finished Goods	401.78	357.51	208.37	385.48	770.97
Trade receivables	275.70	284.36	971.81	1,801.93	3,710.20
Cash and Cash Equivalent	206.92	357.89	218.93	529.54	497.20
Loans and Advances	191.89	155.39	39.09	50.00	50.00
Other Assets	1,116.54	1,213.29	1,267.32	2,072.38	4,322.11
Total Current Assets	2,615.04	2,658.77	2,968.01	5,325.13	10,322.06
Current Liabilities					
Trade payables	1,902.96	1,447.25	1,874.12	2,079.71	4,425.70
Other liabilities (Including Non-Current)	316.17	440.77	166.64	332.97	564.84
Short-term provisions	42.47	86.04	110.68	67.39	128.05
Total Current Liabilities	2,261.60	1,974.06	2,151.44	2,480.08	5,118.59
Net Working Capital	353.44	684.71	816.57	2,845.05	5,203.47
Sources of Funds					
Short Term Borrowing	-	-	-	355.00	355.00
Internal Accruals/Existing Net worth	353.44	684.71	816.57	1,627.23	3,145.66
Proceeds from IPO	-	-	-	862.83	1,702.82
Total	353.44	684.71	816.57	2,845.05	5,203.47

- b. **Holding level have been converted to days as follows:**

Assumptions for working capital requirements

Particulars	Holding level in Months /(in Days)					Justification for Holding Period
	FY 20-21 (Restated)	FY 21-22 (Restated)	FY22-23 (Restated)	FY23-24 (Projected)	FY24-25 (Projected)	
Trade Receivables	0.45 (12-15 days)	0.34 (9-12 days)	0.80 (22-25 days)	0.95 (28-31 days)	0.87 (25-30 days)	Trade receivables are amount owed to Company by customers following sale of goods on credit. Our Trade

Particulars	Holding level in Months /(in Days)					Justification for Holding Period
	FY 20-21 (Restated)	FY 21-22 (Restated)	FY22-23 (Restated)	FY23-24 (Projected)	FY24-25 (Projected)	
						Receivables for FY 2020-21, FY 2021-22 and FY 2022-23 are in the range of 9 days to 25 days. Our Company has estimated average trade receivable cycle in the range of 25 days to 31 days for FY 2023-24 and FY 2024-25 in order to meet expected turnover for FY 2023-24 & FY 2024-25.
Inventory						
Raw Material	0.86 (24-28 days)	0.45 (12-15 days)	0.42 (12-15 days)	0.40 (12-15 days)	0.36 (10-13 days)	Raw Material holding period for FY 2020-21, FY 2021-22 and FY 2022-23 were in range of 12 to 28 days. Raw Material holding period for FY 2023-24 and FY 2024-25 are in line with raw material holding period for FY 2022-23. In order to ensure uninterrupted manufacturing, our Company anticipates inventory days in the range of 10 to 15 days for FY 2023-24 and FY 2024-25. This will ensure that there is no supply chain disruption impacting the manufacturing process.
Finished Goods	0.82 (24-27 days)	0.55 (15-18 days)	0.33 (8-12 days)	0.32 (8-12 days)	0.28 (7-10 days)	Finished Goods holding period for FY 2023-24 and FY 2024-25 is estimated in the range of 7 to 12 days. This estimation is based on Finished Goods cycle of financial year 2022-23.
Trade Payable	4.09 (120-130 days)	2.54 (74-78 days)	2.57 (74-80 days)	1.66 (48-52 days)	1.23 (35-40 days)	Trade payables includes dues to micro and small enterprises and other creditors. Trade Payable Cycle is estimated to be in the range of 35 to 52 days for FY 2023-24 and FY 2024-25 respectively to avail better pricing and reducing the cost of purchase by availing discounts from our suppliers. On time and early payment to suppliers will also ensure smooth supply of materials required for manufacturing.

c. Justification for working capital requirements has been included as follows:

Justification for working capital requirements:

Company is primarily engaged in the manufacturing of Solar Panels and installation of solar panels and solar modules. The industry term for solar panel is PV Module (Photovoltaic Module) which refers to setup for generating electricity from sunlight, using semiconductor materials in devices called photovoltaic cells or solar cells. Currently in the solar panel segment, they manufacture both monocrystalline and polycrystalline solar panels. As on March 31, 2023, Net Working

Capital requirement of the Company on restated basis was ₹ 816.57 lakhs as against that of ₹ 684.71 lakhs as on March 31, 2022 and ₹ 353.44 lakhs as on March 31, 2021. The Net Working capital requirements for the FY 2023-24 and FY 2024-25 is estimated to be ₹ 2,845.05 lakhs, ₹ 5,203.47 lakhs respectively.

With Increasing Promotion by Government of India for zero carbon emission by 2070 and decrease in dependence of Non-renewable Energy source, Ministry of New and Renewable Energy (MNRE) which is the nodal Ministry of the Government of India for all matters relating to new and renewable energy provides open tenders for producers of solar modules using indigenous solar cell. Also, increasing demand by household for installation of Solar Rooftop will be key highlight for increase in revenue of the company. Solar industry is growing industry. Due to increase in awareness about solar and government initiatives and policies, solar industry has further scope to expand.

Major reason for additional working capital requirement is due to increase in expected revenue from operations of the company for FY 2023-24 and FY 2024-25. The company is required to maintain sufficient inventory level which mainly includes raw material and finished goods. Trade receivables and other current assets are also major component of working capital requirement. Trade receivables are amount owed to Company by customers following sale of goods on credit and other current assets mainly includes balance with government authorities and subsidy receivables. Trade payables are the amount payable by company for purchase of material on credit. Company intends to optimize the payment cycle to its vendors in order to avail better negotiated deals and discount by making early or on time payment.

4. **BUSINESS OVERVIEW:**

a. **Geography-wise revenue bifurcation has been updated as follows:**

Geography-wise Revenue Bifurcation

(₹ in Lakhs)

Particulars	For the Financial Year ended					
	31-03-2023		31-03-2022		31-03-2021	
	Amount	%	Amount	Amount	%	Amount
Export Sales*	-	-	-	-	34.61	0.47
Domestic Sales	9,455.92	100.00	9,812.13	100.00	7,381.63	99.53
Total	9455.92	100.00	9812.13	100.00	7416.24	100.00

*Company has earned exports revenues from United States of America (USA).

b. **Description of immovable properties taken on rent has been updated as follows:**

DETAILS OF IMMOVABLE PROPERTY

1. **Properties Owned by our Company:**

As on the date of this Draft Red Herring Prospectus, our company does not own any immovable property.

2. **Properties taken on rent by our Company:**

The Details of the Immovable property taken on rent / NOC basis is given here below:

Sr. No.	Document Date	Name of Lessor	Name of Lessee	Description of Property	Usage Purpose	Rent (In ₹)	Tenure
1.	September 03, 2019	Mr. Nikunj Kumar Chimanlal Patel	Australian Premium Solar (India) Private Limited	<u>Tajpur, NH-08, Prantij,</u> <u>Dist : Sabarkantha, Gujarat</u> <u>383205, India</u>	Registered Office	₹ 60,000 per annum	5 Years w.e.f. September 03, 2019

c. **Marketing and distribution related disclosure has been updated as follows:**

MARKETING & DISTRIBUTION

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with distributors and channel partners that are associated with our Company. Our team through their experience and good rapport with our clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company.

We adopt product-wise, client-wise, location-wise and geography-wise approach for selling and marketing our products. Our marketing team consists of 42 employees, which works to maintaining the existing clients and acquiring new clients for our products.

In order to meet the requirements for EPC services for retail business, company has established distribution channel and channel partners for various cities. As on the date of this Draft Red Herring Prospectus, our company has 164 channel partners. Following table enumerates counts of city wise channel partners:

Sr. No.	Name of City	Count of Channel Partners
1.	Ahmedabad	23
2.	Amreli	2
3.	Anand	2
4.	Anjar	1
5.	Babra	1
6.	Balashinor	1
7.	Banaskantha	4
8.	Bharuch	4
9.	Bhavnagar	6
10.	Bhuj	3
11.	Borsad	1
12.	Botad	3
13.	Deesha	2
14.	Dhansura	1
15.	Dharampur	1
16.	Dhranghadhara	1
17.	Doedar	1
18.	Dwarka	3
19.	Gandhidham	1
20.	Gandhinagar	3
21.	Godhara	1
22.	Godhra	1
23.	Gondal	1
24.	Halol	1
25.	Halvad	1
26.	Himmatnagar	4
27.	Jamnagar	5
28.	Junagadh	5
29.	Kadi	1
30.	Kathlal	1
31.	Keshod	2
32.	Khambhat	1
33.	Kheda	2
34.	Limbdi	2
35.	Mahuva	1
36.	Mandvi	1
37.	Mehsana	4
38.	Modasa	2
39.	Morbi	1
40.	Nadiad	2
41.	Narmada	1
42.	Navsari	2
43.	Palanpur	1

Sr. No.	Name of City	Count of Channel Partners
44.	Palitana	1
45.	Patan	5
46.	Petlad	2
47.	Porbandar	1
48.	Prantij	1
49.	Rajkot	9
50.	Rajpipla	1
51.	Sabarkantha	1
52.	Sanand	1
53.	Santrampur	1
54.	Somnath	2
55.	Surat	2
56.	Surendranagar	3
57.	Tarapur	1
58.	Tharad	2
59.	Una	4
60.	Unjha	1
61.	Vadnagar	1
62.	Vadodara	8
63.	Vallabhipur	1
64.	Valsad	1
65.	Vankaner	1
66.	Vijapur	4
67.	Viramgam	1
68.	Visnagar	2
	Grand Total	164

d. Justification for need of expansion has been updated as follows:

CAPACITY AND CAPACITY UTILIZATION

The details of capacity and capacity utilization of our manufacturing facility is mentioned below:

Particulars	For the Year ended on March 31		
	2023	2022	2021
Installed Capacity (Annual)	200 MW	100 MW	100 MW
Actual Capacity Utilization	13.69%	30.58%	21.48%

Source: Based on certificate of M/s. Pranav Parikh & Associates, Chartered Engineer dated August 17, 2023.

Note:

Monocrystalline type of panels are advanced version of photovoltaic cells. In order to be technically updated in solar industry, company has to be upgraded with the latest equipment and machineries. Monocrystalline panels have comparatively higher efficiency rates, meaning they can generate more electricity in a given area in comparison to poly solar panels. For details related to Monocrystalline and polycrystalline panels please refer to page 115 to 116 of the Draft Red Herring Prospectus.

Company is planning to upgrade the existing machineries to focus on manufacturing of Monocrystalline type of panels. New Machinery to be purchase out of issue proceeds is more automated and advance in nature. In order to be technologically advanced in the industry and provide latest products to the customers, Company has proposed to purchase new machinery out of the issue proceeds.

5. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS:

- a. **Justification for decrease in revenue from operations of the company for FY 2023 as compared with FY 2022 has been included as follows:**

COMPARISON OF FY 2022-23 WITH FY 2021-22:

REVENUE:

Revenue from operations

Our company is primarily engaged in the manufacturing of Solar Panels and installation of solar panels and solar modules. The industry term for solar panel is PV Module (Photovoltaic Module) which refers to setup for generating electricity from sunlight, using semiconductor materials in devices called photovoltaic cells or solar cells. Currently in the solar panel segment, we manufacture both monocrystalline and polycrystalline solar panels. The Total Revenue from operations for the year ended on FY 2022-23 was ₹ 9,455.92 Lakh as compared to ₹ 9,812.13 Lakh during the FY 2021-22. Revenue from Operations mainly includes revenue from sale of products and services from 2 segments namely Manufacturing of Solar Panels and Installation services. Till FY 2021-22 installation service vertical was contributing higher revenues, however our company focused on developing its manufacturing operations in FY 2022-23 as installation vertical is dependent on government policies. As the revenue mix of the business verticals has changed, there is a minute decrease in the revenue from operations of the company, revenue from operations decreased by 3.63% from previous year i.e. FY 2021-22. Revenue from Manufacturing of Solar Panels constitutes 67.71%, Installation Services for Solar rooftop constitutes 28.51% and Revenue from Installation Services for Solar pump constitutes 3.77% of total revenue from operations from domestic market. Following are the segment wise bifurcation of Revenue from Operations.

Particulars of Revenue segment wise

(Amt. in ₹ Lakhs)

Particulars	For the year ended 31st March, 2023	Percentage	For the year ended 31st March, 2022	Percentage
Manufacturing of Solar Panels	6,403.04	67.71%	3,233.94	32.96%
Installation Services for Solar rooftop	2,696.08	28.51%	6,448.77	65.72%
Installation Services for Solar pump	356.79	3.77%	129.42	1.32%
Total	9,455.92	100.00%	9,812.13	100.00%

6. GOVERNMENT APPROVALS

- a. **Following has been included at the end of the chapter:**

The Company is in process of updation of its name in various registrations pursuant to its conversion from Private Limited to Public Limited company. The name of Company in PAN has been updated consequently, we have initiated process for updation of name with various authorities and it shall be concluded on priority.

The updation of name in the registration is subject to various factors, such as dependency on updation of name in PAN Card, availability of the officials at various government departments etc.

7. OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS:

- a. **ESIC Litigation matter has been updated as follows:**

1. M/s. Australian Premium Solar (India) Limited (hereinafter referred to as the “noticee”) have been received with a notice dated May 29, 2022 under the provisions of Employee State Insurance (ESI) Act, 1948, stating that the notice has failed to pay the contribution due for the month(s) of September 2019 and onwards and requiring the noticee to pay the due contribution within the period specified as per Regulation 31 of the ESI (General) Regulation, 1950. However, the Company shifted its manufacturing facilities and registered office to Sabarkantha district of Gujarat w.e.f. July 31, 2019. The Sabarkantha district which has been partially notified for the purpose of deduction and deposit of ESIC. Therefore, the Company was not required to collect and deposit the ESIC. A reply inter-alia explaining the foregoing has been submitted to the concerned authority on June 12, 2022 for which no revert was received from the concerned department.
2. M/s. Australian Premium Solar (India) Limited (hereinafter referred to as the “noticee”) have been received with a notice dated May 19, 2022 under the provisions of Employee State Insurance (ESI) Act, 1948, requiring the noticee to show cause why damages for delayed submission of the contribution not be levied against the noticee for delayed deposit of due contribution and have been required to appear before the Assistant Director, Authorised Officer, ESIC, Regional office, Ahmedabad and due reply in respect of same has been submitted to the concerned authority and for which Company had been required to deposit an amount of ₹ 229 and ₹ 550 towards the interest on delayed deposit of the contribution amount and the same has been paid on November 01, 2023 and the matter has accordingly been settled.