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## YASH HIGHVOLTAGE LIMITED

CIN: U40109GJ2002PLC040833

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India.	603, 6th floor, Ozone Complex, Sarabhai Compound, Dr. Vikram Sarabhai Marg, Subhanpura, Vadodara-390023, Gujarat.	Mr. Tushar Janardan Lakhmapurkar Company Secretary and Compliance Officer.	<b>Email:</b> cs@yashhv.com <b>Tel:</b> +91 74900 28892	www.yashhv.com
<b>PROMOTER OF OUR COMPANY: MR. KEYUR GIRISHCHANDRA SHAH</b>				
<b>DETAILS OF THE OFFER TO PUBLIC</b>				
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND RESERVATION
Fresh Issue and Offer for Sale	Up to 64,40,000 Equity Shares of the face value of ₹ 5/- each aggregating up to ₹ [●] Lakhs	Up to 11,36,000 Equity Shares of the face value of ₹ 5/- each aggregating up to ₹ [●] Lakhs	Up to 75,76,000 Equity Shares aggregating up to ₹ [●] Lakhs	The Offer is being made in terms of Regulation 229(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”). For further details, see section titled “Other Regulatory and Statutory Disclosures –Eligibility for the Offer” on page 302. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors and Retail Individual Investors, see section titled “Offer Structure” on page 325.
<b>OFFER FOR SALE</b>				
<b>DETAILS OF OFFER FOR SALE, PROMOTER SELLING SHAREHOLDER AND WEIGHTED AVERAGE COST OF ACQUISITION.</b>				
NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION# (IN ₹ PER EQUITY SHARE)	
Mr. Keyur Girishchandra Shah	Promoter Selling Shareholder	Up to 11,36,000 Equity Shares of face value ₹ 5/- each aggregating up to ₹ [●] Lakhs	8.69	
<i>#As certified by Shah Mehta and Bakshi, Chartered Accountants, Statutory and Peer Review Auditor by way of their certificate dated October 14, 2024.</i>				
<b>RISKS IN RELATION TO THE FIRST OFFER.</b>				
This being the first public offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 5/-. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under section titled “Basis for Offer Price” on page 118 in accordance with SEBI ICDR Regulations should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.				
<b>GENERAL RISKS</b>				
Investments 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares issued in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 39 of this Draft Red Herring Prospectus.				
<b>OUR COMPANY’S AND PROMOTER SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY</b>				
The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms that the statements made or confirmed by such Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to it and/or the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our Company or our Company’s business.				
<b>LISTING</b>				
The Equity Shares Offered through the Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) in terms of the Chapter IX of the SEBI ICDR Regulations as amended from time to time. Our Company has received ‘in-principle’ approvals from BSE for the listing of the Equity Shares pursuant to their letters dated [●]. For the purpose of this Offer, the Designated Stock Exchange will be the BSE Limited (“BSE”).				

<b>BOOK RUNNING LEAD MANAGER TO THE OFFER</b>		
<b>Name &amp; Logo</b>	<b>Contact Person</b>	<b>Email &amp; Telephone</b>
<b>INDORIENT FINANCIAL SERVICES LIMITED</b> 	Mr. Ivor Anil Misquith	<b>E-mail:</b> compliance-ifs1@indorient.in <b>Tel:</b> +91-79772 12186
<b>REGISTRAR TO THE OFFER</b>		
<b>Name &amp; Logo</b>	<b>Contact Person</b>	<b>Email &amp; Telephone</b>
<b>BIGSHARE SERVICES PRIVATE LIMITED</b> 	Mr. Ganesh Shinde	<b>E-mail:</b> ipo@bigshareonline.com <b>Tel:</b> +91 – 22 – 6263 8200
<b>BID/OFFER PERIOD</b>		
<b>ANCHOR PORTION OFFER OPENS/CLOSES ON:  ● *</b>	<b>BID/OFFER OPENS ON:  ● </b>	<b>BID/OFFER CLOSES ON:  ● **#</b>

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

\*\* Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs, one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

# UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.



## YASH HIGHVOLTAGE LIMITED

CIN: U40109GJ2002PLC040833

Our Company was originally incorporated as a private limited company under the Companies Act 1956 in the name and style of "Yash Highvoltage Insulators Private Limited" pursuant to certificate of incorporation dated June 06, 2002 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on February 05, 2018, the name of our Company was changed to "Yash Highvoltage Private Limited" vide a fresh Certificate of Incorporation dated February 13, 2018 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on February 19, 2018, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Yash Highvoltage Private Limited" to "Yash Highvoltage Limited" vide a fresh certificate of incorporation dated March 07, 2018 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad, bearing CIN U40109GJ2002PLC040833. For further details please refer to section titled "History and Certain Other Corporate Matters" beginning on page 198 of this Draft Red Herring Prospectus

**Registered Office:** 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India.

**Corporate Office:** 603, 6th floor, Ozone Complex, Sarabhai Compound, Dr. Vikram Sarabhai Marg, Subhanpura, Vadodara-390023, Gujarat, India.

**Contact Person:** Mr. Tushar Janardan Lakhmapurkar, Company Secretary and Compliance Officer

**Tel:** +91-74900 28892; **E-mail:** cs@yashhv.com; **Website:** www.yashhv.com

**OUR PROMOTER: MR. KEYUR GIRISHCHANDRA SHAH.**

### THE OFFER

**INITIAL PUBLIC OFFER OF UPTO 75,76,000 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH (THE "EQUITY SHARES") OF YASH HIGHVOLTAGE LIMITED ("OUR COMPANY" OR "YHL" OR "THE ISSUER") AT PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO 64,40,000 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH AGGREGATING UP TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 11,36,000 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH AGGREGATING UP TO ₹ [●] LAKHS (THE "OFFER FOR SALE") BY MR. KEYUR GIRISHCHANDRA SHAH (REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDER").**

**THE OFFER INCLUDES [●] EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND NET OFFER WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND VADODARA EDITION OF [●], A REGIONAL NEWSPAPER (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE ("BSE SME") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE, IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.**

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

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see section titled "Offer Procedure" beginning on page 329 of this Draft Red Herring Prospectus.

### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Offer Procedure" beginning on page 329 of this Draft Red Herring Prospectus.

### RISK IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹ 5/- The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under section titled "Basis for Offer Price" on page 118 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares issued in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 39 of this Draft Red Herring Prospectus.

### OUR COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms that the statements made or confirmed by such Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to it and/or the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our Company or our Company's business.

### LISTING

The Equity Shares Offered through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE (BSE SME) in terms of the Chapter IX of the SEBI ICDR Regulations as amended from

**DRAFT RED HERRING PROSPECTUS**


Dated: October 15, 2024

(Please read section 26 &amp; 32 of Companies Act, 2013)

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

**100% Book Built Offer**

time to time. Our Company has received 'in-principle' approvals from BSE for the listing of the Equity Shares pursuant to their letters dated [●]. For the purpose of this Offer, the Designated Stock Exchange will be the BSE Limited. ("BSE").

BOOK RUNNING LEAD MANAGER TO THE OFFER	REGISTRAR TO THE OFFER	
		
<p><b>INDORIENT FINANCIAL SERVICES LIMITED</b>  <b>Regd Off. Add:</b> B/805, Rustomjee Central Park, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India.  <b>Tel:</b> +91-79772 12186  <b>E-mail:</b> compliance-ifs@indorient.in  <b>Investor Grievance E-mail:</b> wecare@indorient.in  <b>Website:</b> www.indorient.in  <b>Contact Person:</b> Mr. Ivor Anil Misquith  <b>SEBI Registration No:</b> INM000012661  <b>CIN:</b> U67190DL1993PLC052085</p>	<p><b>BIGSHARE SERVICES PRIVATE LIMITED</b>  S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India  <b>Tel No.:</b> +91 – 22 – 6263 8200  <b>Fax No.</b> +91 – 22 – 6263 8299  <b>E-mail:</b> ipo@bigshareonline.com  <b>Investor Grievance Email:</b> investor@bigshareonline.com  <b>Website:</b> www.bigshareonline.com  <b>Contact Person:</b> Mr. Ganesh Shinde  <b>SEBI Registration No:</b> INR000001385  <b>CIN:</b> U99999MH1994PTC076534</p>	
OFFER PROGRAMME		
<b>ANCHOR PORTION OFFER OPENS/CLOSES ON:</b> [●]*	<b>BID/OFFER OPENS ON:</b> [●]	<b>BID/OFFER CLOSES ON:</b> [●]**#

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

\*\* Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs, one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

# UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document. 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.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms in 'Main Provisions of the Articles of Association', 'Statement of Possible Tax Benefits', 'Our Industry', 'Key Industry Regulations and Policies', 'Financial Information', 'Outstanding Litigations and Material Developments', will have the meaning ascribed to such terms in these respective sections Page 364, 126, 130, 188, 238 and 292.

#### Conventional or General Terms

Term	Description
Yash Highvoltage Limited / YHL/ the Company / our Company/Issuer	Yash Highvoltage Limited, a public limited company incorporated under the Companies Act, 1956 as a private limited and having its registered office at 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India.
We/ us/ our	Unless the context otherwise indicates or implies, our Company as on the date of this Draft Red Herring Prospectus.
You/ your	Prospective investors in this Offer.

#### Company Related Terms

Term	Description
AoA/ Articles/ Articles of Association	The Articles of Association of our Company, as amended, from time to time.
Audit Committee	The committee of our Board of Directors, constituted as our Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder <i>vide</i> Board resolution dated July 22, 2024 as disclosed under section titled 'Our Management' beginning on page 206 of this Draft Red Herring Prospectus.
Auditors / Statutory Auditors	The Statutory Auditors of our Company being "M/s. Shah Mehta & Bakshi" (Chartered Accountants) (Firm Registration No. 103824W, having their office at 2 <sup>nd</sup> Floor, Prassna House, Associated Society, , Near. Akota Stadium, Akota, Vadodara-390020, Gujarat, India unless otherwise provided by the context.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank, the Refund Bank, the Public Offer Account Bank and the Sponsor Banks, as the case may be.
Banker to Our Company	Bankers to our Company in our case is "Axis Bank Limited" having their branch office at 2nd Floor, Vardhaman Complex, Opp. GEB, Race Course Circle, Vadodara – 390 007, Gujarat, India.
Board of Directors / the Board/ Our Board	The Board of Directors of our Company, including all duly constituted committees thereof, as disclosed under section titled 'Our Management' beginning on page 206 of this Draft Red Herring Prospectus.
Business Day of our Company	It shall mean any day (other than a Saturday or a Sunday and a public holiday) on which the SEBI, the stock exchanges or the commercial banks in Gujarat, India, are open for business.
Chairman	The Chairman of Board of Directors of the Company being "Mr. Keyur Girishchandra Shah", Managing Director.
Chief Financial Officer / CFO	Chief Financial Officer of our Company being "Mr. Sumit Poddar"
CIN	Corporate Identification Number issued by Ministry of Corporate Affairs viz., U40109GJ2002PLC040833.
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified by MCA till date) and /or provisions of Companies Act, 1956



	w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	Companies Act, 1956, as amended from time to time
Companies Act, 2013	Companies Act, 2013 and applicable to the extent notified by MCA till date.
Company Secretary and Compliance Officer/ CS / Company Secretary / Compliance Officer	Company Secretary and Compliance Officer of our Company being “Mr. Tushar Janardan Lakhmapurkar” (Membership No. F3809)
Corporate Office	603, 6th floor, Ozone Complex, Sarabhai Compound, Dr. Vikram Sarabhai Marg, Subhanpura, Vadodara-390023, Gujarat.
Corporate Social Responsibility Committee /CSR Committee	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013 described in section titled ‘ <i>Our Management</i> ’ on page 206 of this Draft Red Herring Prospectus.
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Directors Identification Number
Director(s)/ our Director(s)	The Director(s) of our Company, unless otherwise specified
DP/ Depository Participant	A depository participant as defined under the Depositories Act
Equity Share(s)	The equity shares of our Company of a face value of ₹ 5/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholder(s)	Persons/ entities holding the Equity Shares of our Company
Executive Director(s)	Executive Directors of our Company. For details, see section titled “ <i>Our Management</i> ” beginning on page 206
Group Companies	Such companies with whom there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable Accounting Standards, and also other companies as considered material by our Board and as disclosed under section titled ‘ <i>Our Group Companies</i> ’ beginning on page 231 of this Draft Red Herring Prospectus.
Independent Director	A non-executive and Independent Director as defined under Section 2 (47) of the Companies Act, 2013 and as defined under Regulation 16(1)(b) the SEBI Listing Regulations, disclosed under section titled ‘ <i>Our Management</i> ’ beginning on page 206 of this Draft Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	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.
Internal Complaints Committee	The committee of our Board, constituted as our Company’s Internal Complaints Committee vide Board Resolution dated July 22, 2024 as disclosed under section titled ‘ <i>Our Management</i> ’ beginning on page 206 of this Draft Red Herring Prospectus.
IPO Committee	The IPO committee of our Board of Directors constituted vide resolution passed by the Board on August 06, 2024 as disclosed under section titled ‘ <i>Our Management</i> ’ beginning on page 206 of this Draft Red Herring Prospectus
ISIN	International Securities Identification Number, in this case being “INE00GK01023”
IT Act/ Income Tax Act	Income Tax Act, 1961, as amended, till date
Key Management Personnel / KMP(s)	Key Management Personnel of our Company in terms of Section 2 (51) of the Companies Act, 2013 and Regulation 2 (1) (bb) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies Act, 2013, as disclosed under section titled ‘ <i>Our Management</i> ’ beginning on page 206 of this Draft Red Herring Prospectus.
LLP	Limited Liability Partnership as incorporated under the Limited Liability Partnership Act, 2008
Managing Director / MD	Managing Director of our Company, namely “Mr. Keyur Girishchandra Shah”
Materiality Policy	The policy on identification of Group Companies, material creditors and material litigation, adopted by our Board on August 06, 2024 in accordance with the requirements of the SEBI ICDR Regulations, as amended from time to time.
Memorandum of Association / Memorandum/ MoA	Memorandum of Yash Highvoltage Limited, as amended, from time to time
Nomination and Remuneration Committee	The committee of our Board, constituted as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013

	and rules made thereunder vide Board Resolution dated July 22, 2024 as disclosed under section titled ' <i>Our Management</i> ' beginning on page 206 of this Draft Red Herring Prospectus.
Non-Executive Director / Non-Executive Non-Independent Director	A Director not being an Executive Director or Independent Director
Peer Review Auditors	Unless the context otherwise provides, Independent Auditor having a valid peer review certificate in our case, being "M/s. Shah Mehta & Bakshi" (Chartered Accountants) (Firm Registration No. 103824W), having their office at 2nd Floor, Prassna House, Associated Society, Near. Akota Stadium, Akota, Vadodara-390020, Gujarat, India.
Promoter	Promoter of our Company i.e. "Mr. Keyur Girishchandra Shah", as disclosed under section titled in ' <i>Our Promoter and Promoter Group</i> ' beginning on page 227 of this Draft Red Herring Prospectus.
Promoter Group	Individuals, companies and entities constituting the promoter group of our Company, pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, as disclosed under section titled ' <i>Our Promoter and Promoter Group</i> ' beginning on page 227 of this Draft Red Herring Prospectus.
Proposed Manufacturing Facility	The proposed manufacturing facility to be set up at Plot No. 32-A, in Suncity Industrial Park, Village: Haripura, Taluka: Savli, District: Vadodara.
Our Registered Office / Registered Office	The registered office of our Company situated at 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the Reserve Bank of India Act, 1934
Restated Financial Statements / Restated Financial Information	The Restated Financial Information of our Company as at and for the three months period ended June 30, 2024 and as at and for the Financial Years ended on March 31, 2024, March 31, 2023, and March 31, 2022 (prepared in accordance with Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations) which comprises of the Restated Statement of Assets and Liabilities as at the three months period ended June 30, 2024 and as at the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, Restated Statement of Profit and Loss for the three months period ended June 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, and the Restated Cash Flow Statement for the three months period ended June 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, together with the notes, significant accounting policies and notes to accounts thereto and the examination report thereon.
RoC / Registrar of Companies	Registrar of Companies, Gujarat, Dadra and Nagar Haveli situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended, from time to time
SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended, from time to time
Stakeholders' Relationship Committee	The committee of our Board, constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated July 22, 2024, as disclosed under section titled ' <i>Our Management</i> ' beginning on page 206 of this Draft Red Herring Prospectus
Senior Management Personnel or SMP	Senior management personnel or SMP of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in the section titled " <i>Our Management</i> " beginning on page 206 of this Draft Red Herring Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Whole-time Director(s)	Whole-time Director(s) as specified in section 2(94) of the Companies Act, 2013

## Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or documents issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale, in each case to the successful Applicants.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares and Offer of Sale 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 to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Offer Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Red Herring Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism.
ASBA Specified Location(s)	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.

ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Offer who apply(ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application Form	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus or the Prospectus.
Bankers to the Offer / Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to the Offer and with whom the Public Offer Account will be opened, in this case being [●]
Banker to the Offer Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Offer.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the offer and which is described in the section titled “Offer Procedure” beginning on page 329 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Draft Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Offer.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Vadodara Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Vadodara Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date or the QIB Bid/ Offer Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding	The process of making a Bid.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Offer in this case being Indorient Financial Services Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centres notified by the Stock Exchange, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated

	Stock Exchange.
Cap Price	The higher end of the price band above which the Offer Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, ASBA Specified Locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Cut Off Price	The Offer Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
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 website of the Stock Exchange i.e. ,www.bseindia.com
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account and/ or unblocked in terms of the Draft Red Herring Prospectus
Designated Intermediaries	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to the offer and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	[●]
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. , www.bseindia.com
Designated Stock Exchange	BSE Limited ("BSE SME")
DP ID	Depository's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated October 15, 2024 filed with BSE SME.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value of ₹ 5/- each.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
FII	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.

Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
FVCI / Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any offer related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	<p>The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular CIR/CFD/POLICYCELL/11/2015) dated March 17, 2020 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and the UPI circular as amended from time to time.</p> <p>The General Information Document shall be available on the websites of the Stock Exchange and the BRLM.</p>
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the Retail Individual Investor by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the SME Platform of BSE. In our case, [●] is the sole Market Maker.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker, [●].
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹ 5/- each at an Offer price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Offer.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹ 5/- each at a price of ₹ [●] per Equity Share (the “Offer Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Offer Proceeds received from the Offer excluding Offer related expenses. For further information on the use of Offer Proceeds and Offer expenses, please refer to the section titled “ <i>Objects of the Offer</i> ” beginning on page 102 of this Draft Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Non-Institutional Investors / NIIs / Non-Institutional Bidders / NIBs	Bidders that are not QIBs or RIIs and who have Bid for Equity Shares for an amount more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non Institutional Investors, subject to valid Bids being received at or above the Offer Price.

Offer/Public Offer/ Offer Size / Initial Public Offer/ IPO	<b>Initial Public Offer</b>		Up to 75,76,000 Equity Shares aggregating up to ₹ [●] Lakhs.
	<b>A.</b>	<b>Fresh Issue</b>	Up to 64,40,000 Equity Shares of the face value of ₹ 5/- each aggregating up to ₹ [●] Lakhs.
	<b>B.</b>	<b>Offer for Sale by Promoter Selling Shareholder</b>	
	Mr. Keyur Girishchandra Shah	Promoter Selling Shareholder	Up to 11,36,000 Equity Shares of the face value of ₹ 5/- each aggregating up to ₹ [●] Lakhs.
Offer Agreement	The Offer Agreement dated October 14, 2024, between our Company, Promoter Selling Shareholder and Book Running Lead Manager, Indorient Financial Services Limited.		
Offer for Sale	The offer for sale of up to 11,36,000 Offered Shares aggregating up to ₹ [●] Lakhs by the Promoter Selling Shareholder, in the Offer. For further details, please refer to the section titled “ <i>The Offer</i> ” beginning on page 102 of this Draft Red Herring Prospectus.		
Offered Shares	Up to 11,36,000 Equity Shares of face value of ₹ 5/- each aggregating up to ₹ [●] Lakhs being offered for sale by the Promoter Selling Shareholder in the Offer.		
Offer Closing Date	The date after which the Book Running Lead Manager, Branches of SCSBs and Registered Brokers will not accept any Application for this Offer, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI ICDR Regulations. In this case being [●]		
Offer Opening Date	The date on which the Book Running Lead Manager, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Offer, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI ICDR Regulations. In this case being [●]		
Offer Period	The period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.		
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders which will be decided by our Company, in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company, in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.		
Offer Proceeds	Proceeds to be raised by our Company through this Offer, for further details please refer section titled “ <i>Objects of the Offer</i> ” beginning on page 102 of this Draft Red Herring Prospectus.		
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.		
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires.		
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Offer Opening Date.		
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Offer Price.		
Promoter Selling Shareholder	Mr. Keyur Girishchandra Shah		
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, inter alia, the Offer Price will be		

	determined before filing the Prospectus with RoC.
Public Offer Account	Account to be opened with the Bankers to the Offer to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer, consisting of [●] Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers/QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Offered and the size of the Offer, including any addenda or corrigenda thereto.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids.
Registrar/ Registrar to the Offer/ RTA	Registrar to the Offer being “Bigshare Services Private Limited”.
Registrar to the Offer Agreement	The agreement dated October 14, 2024 entered into between our Company, the Promoter Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidders/ RIBs/ Retail Individual Investors/ RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Net Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Applications or any previous Revision Form(s).
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.
SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Shall mean a Banker to the Offer registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account 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.
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely [●]
Share Escrow Agreement	The agreement to be entered into between our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholder and credit of such Equity Shares



	to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
SME Exchange	SME Platform of the BSE i.e. BSE SME.
Specified Securities	Equity shares offered through this Draft Red Herring Prospectus.
Sponsor Bank	Sponsor Bank means a Banker to the Offer registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchange and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Offer.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Offer.
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
US Fed	The Federal Reserve System is the central bank of the United States
Underwriter	Indorient Financial Services Limited
Underwriting Agreement	The Agreement October 14, 2024 entered between the Underwriter, BRLM, Promoter Selling Shareholder and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account.
UPI Bidders	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 5,00,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism.  Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI RTA Master Circular (to the extent it pertains to UPI)and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchange in this regard, including the circular issued by the BSE having

	reference number 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchange in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application, by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
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
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s) or Fraudulent Borrower	Wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Bid/Offer period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### Technical and Industry Related Terms

Term	Description
AC	Alternating Current
ANSI	American National Standards Institute
BD	Business Development
BHEL	Bharat Heavy Electricals Limited
BME	Bursa Malaysia Exchange
CAD software	Computer-Aided Design Software
CAGR	Compound Annual Growth Rate
CBIP	Central Board of Irrigation and Power
CEA	Central Electricity Authority
CIGRE	International Council on Large Electric Systems
CNC	Computerised Numerical Control
CPI	Consumer Price Index
E & D	Engineering and Designed
EESL	Energy Efficiency Services Limited
EHSF	Employee Health Safety and Fire
EHV	Extra High Voltage
EMI	Electromagnetic Interference
ERP system	Enterprise Resource Planning System
FDI	Foreign Direct Investment
FY	Fiscal Year
GDP	Gross Domestic Product
GE	General Electric
GIS flange	Gas Insulated Switchgear flange
GOI	Government of India
GRN	Goods Receipt Note
GSU	Generator Step – Up
HR	Human Resource
HV	High Voltage
HVAC	Heating, Ventilation, and Air Conditioning
HVDC	High Voltage Direct Current
IB	Investment Bank
IEC	International Electrotechnical Commission

IEEE	Institute of Electrical and Electronics Engineers
ILAC	International Laboratory Accreditation Cooperation
IoT	Internet of Things
IREDA	Indian Renewable Energy Development Agency
IT	Information Technology
ISO	International Organization for Standardization
kV	Kilovolt
KVA	Kilovolt-Ampere
KVAr	Kilovolt-Ampere Reactive
LATAM	Latin America
LME	London Metal Exchange
LoC	Letters of Credit
M&A	Mergers and Acquisitions
MD	Managing Director
MNRE	Ministry of New and Renewable Energy
MOP	Margin of Preference
MoP	Ministry of Power
MSME	Micro, Small & Medium Enterprises
MW	Megawatt
OIP	Oil Impregnated Paper
O&M	Operation and Maintenance
OEM	Original Equipment Manufacturer
PD	Partial Discharge
PLI	Production Linked Incentive
PPP	Public-Private Partnership
PSU	Public Sector Undertaking
PWI	Process Window Index
QA	Quality Assurance
QAP	Quality Assurance Plan
QARD	Quality Assurance Requirements and Description
R&D	Research and Development
R&M	Repair and Maintenance
RIF/RIG	Resin-Impregnated Foam/Resin-Impregnated Glass
RIP	Resin Impregnated Paper
RIS	Resin Impregnated Synthetic
ROI	Return on Investment
SCADA	Supervisory Control and Data Acquisition
SEB	State Electricity Board
T&D	Transmission and Distribution
TRIL	Transformers and Rectifiers India Limited
UDAY	Ujwal DISCOM Assurance Yojana
UPS	Uninterruptible Power Supply
USA	United States of America
USD	United States Dollar
USTDA	United States Trade and Development Agency
VAT	Value Added Tax
VCB	Vacuum Circuit Breaker

### Key Performance Indicators

Terms	Description
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
PAT	Profit after Tax gives the overall profitability of business.
RoNW	Return on Net Worth

### Conventional Terms and General Terms

Term	Description
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AIF(s)	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
Banking Regulation Act	Banking Regulation Act, 1949
BSE	BSE Limited
CA	Chartered Accountant
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the AIF Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the AIF Regulations
CGST	Central GST
CS	Company Secretary
Competition Act	Competition Act, 2002
Consolidated FDI Policy	Consolidation FDI Policy Circular of 2020 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
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CST Act	Central Sales Tax
DP ID	Depository Participant’s identity number
DP / Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), GoI
EPF	Employee Provident Fund
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Non-Debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FII(s)	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
FII Regulations	SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fiscal Year/ Financial Year / F.Y.	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FPIs	FPIs registered as “foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
Gazette	Gazette of India
IND AS Rules	Indian Accounting Standards, Rules 2015
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFSC Code	Indian Financial System Code
IGST	Integrated Goods and Services Tax
IGST Act	Integrated Goods and Services Tax Act, 2017
India	Republic of India
IND AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies

	(Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IST	Indian Standard Time
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
Merchant Banker Regulations	SEBI (Merchant Bankers) Regulations, 1992
Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NSE	National Stock Exchange of India Limited
NOC	No objection certificate
PAN	Permanent Account Number
R&D	Research and Development
RBI Act	Reserve Bank of India Act, 1934
RTA Regulations	Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent) Regulations, 1993
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SCRA	Securities Contract (Regulation) Act, 1956, as amended, from time to time
SCR	Securities Contracts (Regulation) Rules, 1957, as amended, from time to time
State Government	The government of a state in India
SGST	State Goods and Services Tax
SGST Act	State Goods and Services Tax Act, 2017
SS	Secretarial Standards as issued by Institute of Company Secretaries of India
Sub-account	Sub-accounts registered with SEBI under the FII Regulations other than sub-accounts which are foreign corporate or foreign individuals
TAN	Tax deduction and collection account number
TDS	Tax Deducted at Source
UGST	Union Territory Goods and Services Tax
UGST Act	Union Territory Goods and Services Tax Act, 2017
VCFs	Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations

### Abbreviations

Terms	Descriptions
₹ or Rupees or Rs. or INR	Rupees, the official currency of the Republic of India
A/c	Account
AGM	Annual General Meeting
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment year
CARO	Companies (Auditor's Report) Order, 2020
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Cr PC	Criminal Procedure Code, 1973, as amended
CSR	Corporate Social Responsibility
C.Y.	Calendar Year
DDT	Dividend Distribution Tax
DIN	Director Identification Number
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPF Act	Employees Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
FDI	Foreign Direct Investment
GAAR	General Anti Avoidance Rules
GBP	Great Britain Pound
GoI/Government	Government of India
GST	Goods & Service Tax
HNI	High Net Worth Individual

HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
IT Rules	The Income Tax Rules, 1962, as amended
ISACA	Information Systems Audit and Control Association
MoU	Memorandum of Understanding
N.A.	Not Applicable
NACH	National Automated Clearing House
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
NoC	No Objection Certificate
No.	Number
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
PAT	Profit After Tax.
PBT	Profit Before Tax.
P/E	Price per Earnings
Pvt.	Private.
RoE	Return on Equity
RoNW	Return on Net Worth.
SCN	Show Cause Notice.
STT	Securities Transaction Tax
US/United States	United States.
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
w.e.f.	With effect from
YoY	Year on Year.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms defined –

- a) In the section titled '*Risk Factors*' beginning on page 39 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;
- b) In the section titled '*Statement of Possible Tax Benefits*' beginning on page 126 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;
- c) In the section titled '*Our Industry*' beginning on page 130 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;
- d) In the section titled '*Key Industry Regulations and Policies*' beginning on page 188 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;
- e) In the section titled '*Financial Information*' beginning on page 238 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;
- f) In the section titled '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 278 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section; and
- g) In the section titled '*Outstanding Litigations and Material Developments*' beginning on page 292 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;
- h) In the section titled '*Main Provisions of the Articles of Association*' beginning on page 364 of this Draft Red Herring Prospectus, shall have the meaning given to such terms in that section;



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

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Yash Highvoltage Limited” and “YHL”, unless the context otherwise indicates or implies, refers to Yash Highvoltage Limited.

### CERTAIN CONVENTIONS

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

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the Restated Financial Statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, 2013 Indian GAAP and restated in accordance with SEBI ICDR Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘*Financial Information*’ beginning on page 238 of this Draft Red Herring Prospectus. Our Restated Financial Statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013, and have been restated in accordance with the SEBI ICDR Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2019) issued by ICAI as amended from time to time.

Our Financial Year commences on April 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the following year, so all references to a particular Financial Year are to the 12 months period ended March 31<sup>st</sup> of that year. In this Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. Further, figure represented in the BRACKET “( )” or with the sign “ – ” indicates NEGATIVE data in this Draft Red Herring Prospectus in relation to our Company and industry. There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS 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 this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices/ Indian GAAP, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

All figures in decimals (including percentages) have been rounded off up to Second decimals and all percentage figures have been rounded off to two decimal places. In certain instances, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Any percentage amounts, as set forth in the section titled ‘*Risk Factors*’, sections titled ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on page 39 nos. 167 and 278 of this Draft Red Herring Prospectus, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations.

### CURRENCY AND UNITS OF PRESENTATION

In Draft Red Herring Prospectus, unless the context otherwise requires, all references to;

- ‘**Rupees**’ or ‘Rs.’ Or ‘INR’ or ‘₹’ are to Indian rupees, the official currency of the Republic of India.
- ‘**US Dollars**’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America and Ecuador.
- ‘**EUR**’ or ‘€’ are to Euro, the official currency of the European Union;
- ‘**CHF**’ or “SF” are to Swiss Franc, the official currency of Switzerland.



- ‘SEK’ are to Swedish Krona, the official currency of Sweden;

All references to the word “Lakh/ Lakhs or Lac” means “One Hundred Thousand”, the word “Crore/Crores” means “Hundred Lakhs”, the word “Million (million) or Mn” means “Ten Lakhs”, the word “Crores” means “Ten Million” and the word “Billion (bn)” means “One Hundred Crores”.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “Lakhs” units. One lakh represents 1,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All figures in decimals have been rounded off to the two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third party industry sources may be expressed in denominations other than Lakhs or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 39, 167 and 278, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from the Restated Financial Information.

## Exchange Rates

This Draft Red Herring Prospectus contains 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 table below sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies.

Currency	Exchange Rate as on			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
	<i>(in ₹)</i>			
1 USD <sup>(1)</sup>	83.45*	83.37**	82.22	75.81
1 EUR <sup>(1)</sup>	89.25*	90.22**	89.61	84.66
1 CHF <sup>(2)</sup>	92.73	92.36	89.70	81.56
1 SEK <sup>(2)</sup>	7.86	7.82	7.91	8.13

<sup>(1)</sup> Source: [www.fbil.org.in](http://www.fbil.org.in)

<sup>(2)</sup> Source: [www.oanda.com](http://www.oanda.com)

Note : Exchange rate is rounded off to decimal places

\*Since June 30, 2024 was a Sunday, June 29, 2024 was a Saturday, the exchange rate was considered as on June 28, 2024.

\*\*Since March 31, 2024 was a Sunday, March 30, 2024 was a Saturday and March 29, 2024 was a public holiday on account of Good Friday, the exchange rate was considered as on March 28, 2024.

## TIME

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry related information and market data contained in this Draft Red Herring Prospectus, including in “*Risk Factors*”, “*Our Industry*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 39, 130, 206, and 278, respectively, have been obtained or derived from the report titled “India Transformer Bushings Market Outlook to 2034” dated October 03, 2024 that has been prepared by Ken Research Private Limited (“Ken Research” and the report prepared by Ken Research be referred to as “Ken Research Report”) which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned by our Company. Ken Research does not have direct/ indirect interest or relationship with our Company, Promoter, Directors, KMPs or SMPs of our Company except to the extent of issuing the Ken Research Report. For risks in relation to the Ken Research Report, see “*Risk Factor –We have commissioned an industry report for the disclosures made in the chapter titled “Our Industry” and made disclosures on the basis of the data provided in the same and such data has not been independently verified by us.”* on page 130. The Ken Research Report is available on the website

of our Company at <https://yashhv.com/>, from the date of this Draft Red Herring Prospectus until the Bid/ Offer Closing Date.

In accordance with the SEBI ICDR Regulations the section titled “Basis for Offer Price” on page 71 of this Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

No part of this manual or any material appearing may be reproduced, stored in or transmitted on any other Web site without written permission of Ken Research and any payments of a specified fee. Requests to republish any material may be sent to us.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India including United States, may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, plans and prospects are “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “seek to”, “shall”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to corresponding risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement, including but not limited to, regulatory changes pertaining to the industries we serve and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- a) *We intend to utilize a portion of the Net proceeds for setting up the Proposed Manufacturing Facility at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat. We are yet to place orders for plant, machinery and equipment and apply for requisite government approvals for the Proposed Manufacturing Facility. If we are unable to commission our Proposed Manufacturing Facility without time and cost overruns or unable to adhere to the schedule of implementation, it may adversely affect our business, results of operations and financial conditions.*
- b) *There can be no assurance that the Objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.*
- c) *We depend on limited suppliers for our raw material requirements. The loss of one or more such suppliers could adversely affect our business, results of operations, financial condition and cash flows.*
- d) *Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices of raw materials or a change in our customers preference of raw material suppliers could adversely affect our reputation, business, results from operations, financial conditions and cash flows.*
- e) *Our business is dependent on the sale of our products to certain key customers. The loss of any such customers or a significant reduction in the sales made to such customers, could materially adversely affect our business, results of operations and financial condition.*
- f) *Majority of our revenue is dependent on single business segment i.e. transformer bushings. Any adverse impact on sales of transformer bushings would adversely affect our operations and profitability.*
- g) *All our existing manufacturing facilities and Proposed Manufacturing Facility are situated at Vadodara, Gujarat resulting in concentration in a single region. Any slowdown or shutdown or any interruption for a significant period of time at our existing manufacturing facilities and Proposed Manufacturing Facility for a significant period of time, may in turn adversely affect our business, financial condition and results of operations.*
- h) *Certain of our Group Companies (which are no longer not related parties) have not consented to the inclusion of, nor have they provided, information or any confirmations or undertakings pertaining to themselves, which are required to be disclosed in relation to Group Companies under the SEBI ICDR Regulations in this Draft Red Herring Prospectus. Consequently, we cannot assure you that the disclosures relating to such Group Companies are complete or up-to-date.*
- i) *Information relating to the historical installed capacities of our Manufacturing Facilities included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates by the chartered engineer.*
- j) *Our Promoter Group Entity and one of our Group Company (which is no longer a related party) are engaged in the line of business similar to our Company. There are no non - compete agreements between our Company and such Promoter Group Entity and Group Company.*

For further discussion of factors that could cause the actual results to differ from the expectations, please refer sections titled ‘Risk Factors’, ‘Our Business’ and ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page 39, 167 and 278, respectively. 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 and are not a guarantee of future performance.

Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of our future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward looking statements are based on are reasonable, any of these assumptions could prove to be inaccurate and the forward looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Promoter, our Directors, the Book Running Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of SEBI, our Company (in respect of statements/ disclosures made by them in this Draft Red Herring Prospectus) shall ensure that investors in India are informed of material developments from the date of the Draft Red Herring Prospectus until the date of Allotment. The Promoter Selling Shareholder will ensure that investors in India are informed of material developments in relation to the statements relating to and undertakings confirmed or undertaken by the Promoter Selling Shareholder and its portion of the Offered Shares in this Draft Red Herring Prospectus, from the date thereof, until the receipt of final listing and trading approvals from the Stock Exchange.

## SECTION II: SUMMARY OF THE DRAFT RED HERRING PROSPECTUS

*This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus, Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Our Industry”, “Our Business”, “Outstanding Litigations and Material Developments”, “Offer Procedure”, and “Main Provisions Of Articles Of Association” beginning on pages 39, 65 , 84, 102, 130, 167, 292, 329 and 364 respectively of this Draft Red Herring Prospectus.*

### A. OVERVIEW OF INDUSTRY

Global transformer bushing market was valued at ₹26,960 crores, and is expected witness a CAGR of 5.6% during 2024-2034F. The global shift towards the development of new renewable energy projects, large scale implementation of smart grids across several countries, and modernization power distribution network will surge the demand for transformer bushing used as a critical component of transformers during the commissioning of projects. As of CY’ 24, RIP is the most prominent form of bushing type, accounting for a share of 61.9% revenue share in the global transformer bushing market. The rising demand for RIP bushings is mainly attributed to higher customer preference to RIP bushings.

*For further details please refer the section titled ‘Our Industry’ beginning on page 130 of this Draft Red Herring Prospectus.*

### B. OVERVIEW OF BUSINESS

The Company is engaged in the manufacturing and distribution of wide range of transformer bushings – Oil Impregnated Paper [OIP] condenser bushing, Resin Impregnated Paper [RIP] / Resin Impregnated Synthetic [RIS] condenser bushing, High Voltage and High Current bushing, OIP Wall bushing and Oil to Oil bushing. The Company also undertakes repairing, retrofitting and replacement services of old bushings. Our manufacturing facility has an annual installed capacity to produce 7,000 bushings bifurcated into 3,700 units of OIP Bushings, 3,000 units of RIP Bushings and 300 units of High Current Bushings. The factory is fully equipped with in-house quality testing facilities.

*For further details please refer the section titled ‘Our Business’ beginning on page 167 of this Draft Red Herring Prospectus.*

### C. OUR PROMOTER

As on date of this Draft Red Herring Prospectus, Mr. Keyur Girishchandra Shah is the Promoter of our Company.

*For further details please refer the section titled ‘Our Promoter and Promoter Group’ beginning on page 227 of this Draft Red Herring Prospectus.*

### D. DETAILS OF THE OFFER

#### Offer Size:

Offer of Equity Shares <sup>1</sup>	Up to 75,76,000 Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] lakhs
<b>comprising:</b>	
Fresh Issue	Up to 64,40,000 Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] lakhs
Offer for Sale <sup>2</sup>	Up to 11,36,000 Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] lakhs by the Promoter Selling Shareholder
<b>which includes :</b>	
Market Maker Reservation Portion	Up to [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] lakhs
Net Offer	Up to [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] lakhs

**Notes:**

- (1) The Offer has been authorized by a resolution of our Board dated August 06, 2024 and by our Shareholders pursuant to a special resolution passed on August 30, 2024.
- (2) Our Board has taken on record the consent for Offer for Sale of the Promoter Selling Shareholder pursuant to its resolution passed in its meeting held on October 14, 2024. The Promoter Selling Shareholder has confirmed that the Offered Shares have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are accordingly eligible for being offered for sale in the Offer in compliance with the SEBI ICDR Regulations. The Promoter Selling Shareholder has authorized the inclusion of the Offered Shares in the Offer for Sale. For details of authorizations received for the Offer for Sale, see section titled "Other Regulatory and Statutory Disclosures" beginning on page 302.

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

For further details, please see section titled "The Offer" and "Capital Structure" on page 65 and 84 respectively.

**E. OBJECT OF THE OFFER**

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

		(₹ in Lakhs)
Sr No	Particulars	Estimated Amount
1.	Setting up a new factory to manufacture RIP/RIS transformer condenser graded bushings <i>(1)</i>	7,321.56
2.	General Corporate Purposes <sup>(2)</sup>	[●]
<b>Total (Net Proceeds)</b>		<b>[●]</b>

<sup>(1)</sup> Total estimated cost is based on the Cost Assessment Report dated October 14, 2024 issued by Chintan Kishorbbhai Vaidya, an independent chartered engineer

<sup>(2)</sup> Subject to finalisation of the Basis of Allotment. The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue

For further details, see section titled "Objects of the Offer" on page 102

**F. PRE-OFFER AND POST OFFER SHAREHOLDING OF PROMOTER (INCLUDING THE PROMOTER SELLING SHAREHOLDER) AND PROMOTER GROUP**

The aggregate pre-offer shareholding of our Promoter (including the Promoter Selling Shareholder) and Promoter Group as a percentage of the pre-offer paid-up Equity Share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares held	% of the pre-offer paid-up Equity Share Capital	Number of Equity Shares held	% of the Post-Offer paid-up Equity Share Capital
<b>(A) Promoter<sup>#</sup></b>					
1.	Mr. Keyur Girishchandra Shah	1,63,02,595	73.61	[●]	[●]
<b>Total (A)</b>		<b>1,63,02,595</b>	<b>73.61</b>	<b>[●]</b>	<b>[●]</b>
<b>(B) Promoter Group</b>					
1.	Mrs. Twinkle Keyur Shah	6,48,000	2.93	[●]	[●]
2.	Mr. Bhavin Girishbbhai Shah	36,000	0.16	[●]	[●]
3.	Mr. Rishi Shah	3,00,000	1.35	[●]	[●]
4.	Ms. Zea Keyur Shah	3,00,000	1.35	[●]	[●]
5.	Mr. Mayur Rajnikant Shah	17,000	0.08	[●]	[●]

	<b>Total (B)</b>	<b>13,01,000</b>	<b>5.87</b>	<b>[•]</b>	<b>[•]</b>
	<b>Total (A) + (B)</b>	<b>1,76,03,595</b>	<b>79.48</b>	<b>[•]</b>	<b>[•]</b>

# Also, the Promoter Selling Shareholder

## G. SUMMARY OF FINANCIAL INFORMATION

Based on Restated Financial Statements:

(₹ in lakhs)

Particulars	As at and for the three-months period ended June 30, 2024	As at and for the year ended March 31		
		2024	2023	2022
Share Capital	738.21	307.59	307.59	307.59
Net Worth <sup>(1)</sup>	4,526.20	4,213.45	3,208.21	2,450.65
Revenue from Operation	2,762.88	10,848.08	9,036.21	6,505.71
Total Income	2,777.84	10,912.25	9,061.15	6,537.90
Profit After Tax	312.75	1,206.27	1,142.22	871.23
<b>Earnings per share (basic and diluted) (Face Value ₹ 5/- each) (in ₹)<sup>(2)</sup></b>				
(i) Basic	1.41	5.45	5.16	3.93
(ii) Diluted	1.41	5.45	5.16	3.93
Net asset value (NAV) per Equity Share (in ₹) <sup>(3)</sup>	61.31	136.98	104.30	79.67
Total borrowings <sup>(4)</sup>	1,256.97	707.64	777.60	744.49

- 1) Net Worth has been defined as 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, as per the audited balance sheet, but does not include reserves created out of revaluation of assets.
- 2) Basic & Diluted earnings per share (Rs) - Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
- 3) Net assets value per share – Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.
- 4) Total Borrowing – aggregate value of Long term borrowing and short term borrowings

For further details, see “Restated Financial Statements” on page 238

## H. AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

The Auditor report of Restated Financial Statements of our Company, for the three months ended June 30, 2024 and Financial Year ended on March 31 2024, 2023 and 2022 does not contain any qualification which have not been given effect to in Restated Financial Statements.

## I. SUMMARY OF OUTSTANDING LITIGATIONS

Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no outstanding litigations against our Company, Directors, Promoter, Group Company and/or there are no outstanding litigations filed by our Company, Directors, Promoter, Group Company:

Nature of Proceedings	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigation	Amount involved (₹. in lakhs) *#
<b>Company</b>						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	3	Nil	Nil	Nil	216.77

<b>Directors (other than promoter)</b>						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
<b>Group Company</b>						
By our Group Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Group Company	Nil	2	Nil	Nil	Nil	0.85

\*To the extent quantifiable.

#Excludes any interest/penalty in relation to the proceedings

For further details in relation to legal proceedings involving our Company, Promoter, Directors and Group Companies please refer section titled 'Outstanding Litigations and Material Developments' on beginning page 292 of this Draft Red Herring Prospectus.

## **J. RISK FACTORS**

Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. Details of our top 10 risk factors are set forth below.

1. *We intend to utilize a portion of the Net proceeds for setting up the Proposed Manufacturing Facility at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat. We are yet to place orders for plant, machinery and equipment and apply for requisite government approvals for the Proposed Manufacturing Facility. If we are unable to commission our Proposed Manufacturing Facility without time and cost overruns or unable to adhere to the schedule of implementation, it may adversely affect our business, results of operations and financial conditions.*
2. *There can be no assurance that the Objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.*
3. *We depend on limited suppliers for our raw material requirements. The loss of one or more such suppliers could adversely affect our business, results of operations, financial condition and cash flows.*
4. *Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices of raw materials or a change in our customers preference of raw material suppliers could adversely affect our reputation, business, results from operations, financial conditions and cash flows.*
5. *Our business is dependent on the sale of our products to certain key customers. The loss of any such customers or a significant reduction in the sales made to such customers, could materially adversely affect our business, results of operations and financial condition.*
6. *Majority of our revenue is dependent on single business segment i.e. transformer bushings. Any adverse impact on sales of transformer bushings would adversely affect our operations and profitability.*
7. *All our existing manufacturing facilities and Proposed Manufacturing Facility are situated at Vadodara, Gujarat resulting in concentration in a single region. Any slowdown or shutdown or any interruption for a significant period of time at our existing manufacturing facilities and Proposed Manufacturing Facility for a significant period of time, may in turn adversely affect our business, financial condition and results of operations.*
8. *Certain of our Group Companies (which are no longer not related parties) have not consented to the inclusion of, nor have they provided, information or any confirmations or undertakings pertaining to themselves, which are required to be disclosed in relation to Group Companies under the SEBI ICDR Regulations in this Draft Red Herring Prospectus. Consequently, we cannot assure you that the disclosures relating to such Group Companies are complete or up-to-date.*
9. *Information relating to the historical installed capacities of our Manufacturing Facilities included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates by the chartered engineer.*
10. *Our Promoter Group Entity and one of our Group Company (which is no longer a related party) are engaged in the line of business similar to our Company. There are no non - compete agreements between our Company and such Promoter Group Entity and Group Company.*



Please refer the section titled ‘Risk Factors’ beginning on page 39 of this Draft Red Herring Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

Details of the contingent liabilities of our Company as on June 30, 2024 derived from the Restated Financial Statement are set forth below:

Particulars	Amount (₹. In Lakh)
<b>A. Contingent Liabilities</b>	
Sales Tax Demand for F.Y 2015-16	4.76*
CST Demand for F.Y 2015-16 & 2017-18	4.22*
GST Litigation for period July 2017 to 2022	220.95**
<b>Sub Total</b>	<b>229.93</b>
<b>B. Commitments</b>	<b>82.43</b>
<b>C. Total (A+B)</b>	<b>312.36</b>

\*Before considering the pre-deposit amount of ₹ 2.59 Lakhs

\*\* Before considering the pre-deposit amount of ₹ 4.14 Lakhs

For further details, please refer to Note 27 – “contingent liabilities and commitments” of the section titled “Financial Information” of the” on page 238 of this Draft Red Herring Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

The summary detail of the related party transactions entered by our Company as per the Restated Financial Statements, is as follows:

### List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Particular	June 30 2024	2023-24	2022-23	2021-22
	<b>Name of Related Party</b>			
<b>KMP/Promoter</b>	Mr. Keyur Shah	Mr. Keyur Shah	Mr. Keyur Shah	Mr. Keyur Shah
		Mrs. Twinkle Shah*	Mrs. Twinkle Shah	Mrs. Twinkle Shah
		*Untill 20th July 2023		
<b>Relative of Promoter/KMP</b>	Mrs. Twinkle Shah	Mrs. Twinkle Shah*		
		**w.e.f 21st July 2023		
	Bhavin Shah	Bhavin Shah	Bhavin Shah	Bhavin Shah
<b>Director</b>		Mr. Oliver Haerdy [Till 25th March 2024]	Mr. Oliver Haerdy	Mr. Oliver Haerdy
<b>Enterprise over which KMP's / Relatives exercise significant influence</b>	Green Electricals Private Limited	Green Electricals Private Limited	Green Electricals Private Limited	Green Electricals Private Limited
	Incredible Garden Art	Incredible Garden Art	Incredible Garden Art	Incredible Garden Art
	Yash Swisstech Private Limited	Yash Swisstech Private Limited	Yash Swisstech Private Limited	Yash Swisstech Private Limited
		Shree Narayan Industrial Corporation		
<b>Enterprises having Substantial Interest in the Company</b>	MGC Moser-Glaser AG [Till 16th April 2024]	MGC Moser-Glaser AG	MGC Moser-Glaser AG	MGC Moser-Glaser AG
	Pfiffiner International AG	Pfiffiner International AG	Pfiffiner International AG	Pfiffiner International AG

	[Till 16th April 2024]			
<b>Enterprises under Common Control as the Company</b>	Pfiffner Instrument Transformers Private Limited [Till 13th June 2024]	Pfiffner Instrument Transformers Private Limited	Pfiffner Instrument Transformers Private Limited	Pfiffner Instrument Transformers Private Limited

\*There have been no related party transactions with these two enterprises during three months ended June 30 2024 and FY ended 2024, 2023, 2022.

The following transactions were carried out with the related parties in the ordinary course of business

(₹ in Lakhs)

Particulars	June 30 2024	2023-24	2022-23	2021-22
<b>KMP/Promoter</b>				
<b>Relative of Promoter/KMP</b>				
<b>Directors Remuneration &amp; Perquisites</b>				
-Keyur Shah	36.33	147.17	198.80	98.10
<b>Unsecured Loan (Net) - Repaid</b>	-	-	-	-
-Keyur Shah & Twinkle shah	-	-	0.07	13.78
<b>Office and Car lease rent.</b>	-	-	-	-
-Keyur Shah	5.37	6.00	6.00	6.00
-Twinkle Shah	-	6.00	6.00	6.00
<b>Personal Guarantee Commission</b>	-	-	-	-
-Keyur Shah	13.83	34.46	17.89	14.05
-Twinkle Shah	-	22.66	17.89	14.05
<b>Professional Fees</b>	-	-	-	-
-Twinkle Shah	5.60	22.34	22.40	-
<b>Dividend</b>				
-Keyur Shah	-	141.13	270.05	82.12
-Twinkle Shah	-	5.88	11.26	3.42
- Bhavin Shah	-	0.33	0.63	0.19
<b>Sales / Transfer (net of borrowing) of Assets</b>	-	-	-	-
-Keyur Shah	-	32.78	-	-
	-	-	-	-
<b>Enterprise over which KMP's / Relatives exercise significant influence</b>	-	-	-	-
<b>Purchases/ office Expense / sales promotion</b>	-	-	-	-
Incredible Garden Art	1.27	1.03	0.06	0.93
Green Electricals Pvt. Ltd.	-	1.20	1.73	1.39
Narayan Industrial Corporation	-	11.64	-	-
	-	-	-	-
<b>PPE (incl CWIP)</b>	-	-	-	-
Incredible Garden Art	-	-	9.15	-
Green Electricals Pvt. Ltd.	-	-	-	3.72
	-	-	-	-
<b>Repairs and Maintenance</b>	-	-	-	-
Incredible Garden Art	-	11.51	5.50	-
Green Electricals Pvt. Ltd.	0.22	1.88	2.17	0.35
	-	-	-	-

<b>Sales</b>	-	-	-	-
Incredible Garden Art	-	2.16	5.56	-
Green Electricals Pvt. Ltd.	-	-	-	-
	-	-	-	-
<b>Staff Welfare &amp; Training Expenses</b>	-	-	-	-
Incredible Garden Art	-	1.55	-	-
Green Electricals Pvt. Ltd.	-	-	-	-
	-	-	-	-
<b>Advance Payment made for EMD WESETCL tender</b>	-	-	-	-
Green Electricals Pvt. Ltd.	-	28.12	-	-
	-	-	-	-
<b>Enterprises having Substantial Interest in the Company</b>	-	-	-	-
<b>Purchases including Goods in transit</b>	-	-	-	-
MGC Moser Glaser AG	144.59	3,382.77	2,814.27	1,934.04
<b>Dividend</b>				
MGC Moser Glaser AG	-	51.67	98.86	30.06
<b>Sales</b>	-	-	-	-
MGC Moser Glaser AG	-	0.31	-	4.48
<b>Recovery of Common Expenses</b>	-	-	-	-
MGC Moser Glaser AG	-	0.79	1.21	-
	-	-	-	-
<b>Enterprises under Common Control as the Company</b>	-	-	-	-
<b>PPE</b>	-	-	-	-
Pfiffner Instrument Transformers Private Ltd	-	1.20	-	-
<b>Sales</b>	-	-	-	-
Pfiffner Instrument Transformers Private Ltd	-	1.14	2.03	-
<b>Job Work Expenses</b>	-	-	-	-
Pfiffner Instrument Transformers Private Ltd	-	32.48	-	-
<b>Testing &amp; Other Expenses</b>	-	-	-	-
Pfiffner Instrument Transformers Private Ltd	-	41.30	-	31.78
<b>Recovery of Common Expenses</b>	-	-	-	-
Pfiffner Instrument Transformers Private Ltd	-	-	17.56	0.42

#### Outstanding Balance

Particular	June 30, 2024	2023-24	2022-23	2021-22
<b>KMP/Relative of Promoter</b>	-	-	-	-
<b>Unsecured Loan</b>	-	-	-	-
Keyur Shah	-	-	-	0.07
	-	-	-	-
<b>Payable</b>	-	-	-	-
Keyur Shah	13.13	-	0.82	-
Twinkle Shah	1.68	-	0.00	-
	-	-	-	-

<b>Recoverable from KMP</b>	-	-	-	-
Twinkle Shah	-	10.12	-	-
	-	-	-	-
<b>Enterprise over which KMP's / Relatives exercise significant influence</b>	-	-	-	-
	-	-	-	-
<b>Purchases / Maintenance</b>	-	-	-	-
Green Electricals Pvt. Ltd.	-	-	0.13	1.64
Incredible Garden Art	-	0.42	0.75	-
	-	-	-	-
<b>Advance</b>	-	-	-	-
Green Electricals Pvt. Ltd.	27.87	28.12	-	-
	-	-	-	-
<b>Enterprises having Substantial Interest in the Company</b>	-	-	-	-
<b>Purchases including goods in transit</b>	-	-	-	-
MGC Moser Glaser AG	-	1,036.10	943.58	425.26
<b>Dividend</b>	-	-	-	-
MGC Moser Glaser AG	-	-	25.70	-
<b>Enterprises under Common Control as the Company</b>	-	-	-	-
<b>Sales</b>	-	-	-	-
Pfiffner Instrument Transformers Private Ltd	-	6.61	0.01	-

For further details in relation of the same, please refer the section titled 'Restated Financial Statements' beginning on page 238 of this Draft Red Herring Prospectus.

#### M. DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoter, members of Promoter Group, 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 6 (six) months immediately preceding the date of filing of this Draft Red Herring Prospectus.

#### N. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY OUR PROMOTER/ PROMOTER SELLING SHAREHOLDER IN THE LAST 1 (ONE) YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS.

Name of the Promoter <sup>#</sup>	No. of Equity Share of Face Value of ₹ 5/- each held as of October 14, 2024	No. of Equity Shares of Face Value of ₹ 5/- each acquired in the last one year	Weighted average price per equity share in the last one year (in ₹)
Mr. Keyur Girishchandra Shah	1,63,02,595	56,91,586	30.31

Pursuant to the certificate dated October 14, 2024, issued by, M/s. Shah Mehta and Bakshi., Chartered Accountants

<sup>#</sup> Also, the Promoter Selling Shareholder

## O. AVERAGE COST OF ACQUISITION OF SHARES

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

Name of the Promoter/Promoter Selling Shareholder <sup>#</sup>	No. of Equity Shares of Face value of ₹ 5/- each	Average cost of acquisition <sup>(1)</sup> (in ₹)
Mr. Keyur Girishchandra Shah	16,302,595	8.69
<b>Total</b>	<b>16,302,595</b>	

Pursuant to the certificate dated, October 14 2024, issued by M/s. Shah Mehta and Bakshi, Chartered Accountants

(1) Computed based on the Equity Shares acquired/allotted/purchased (including acquisition pursuant to transfer). However, the Equity Shares disposed of have not been considered while computing number of Equity Shares held.)

<sup>#</sup> Also, the Promoter Selling Shareholder

## P. WEIGHTED AVERAGE COST OF ACQUISITION OF ALL SHARES TRANSACTED IN THE THREE YEARS, 18 MONTHS AND ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition <sup>^</sup>	Range of acquisition price: Lowest Price - Highest Price (in ₹)
Last 1 year	48.81	[●]	30.31-120.00
Last 3 years	48.81	[●]	30.31-120.00
Last 18 months	48.81	[●]	30.31-120.00

Pursuant to the certificate dated October 14 2024, issued by M/s. Shah Mehta and Bakshi, Chartered Accountants

<sup>^</sup>To be updated in the Prospectus.

## Q. ACQUISITION OF EQUITY SHARES IN THE LAST THREE YEARS

The details of price at which equity shares were acquired by Promoter including Promoter Selling Shareholder and the members of the Promoter Group in the last three years preceding the date of this Draft Red Herring Prospectus is set forth below:

Name of Shareholders	Nature of Acquisition	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition Price Per Equity Share (in ₹)*
<b>Promoter<sup>#</sup></b>					
Mr. Keyur Girishchandra Shah	Transfer	April 16, 2024	7,90,498	10	218.26
	Allotment-Bonus Issue	April 24, 2024	41,29,815	10	Nil
	Allotment-Bonus Issue	July 22, 2024	54,60,142	5	Nil
<b>Promoter Group (other than Promoter)</b>					
Mrs. Twinkle Keyur Shah	Allotment-Bonus Issue	April 24, 2024	1,26,000	10	Nil
	Allotment-Bonus Issue	July 22, 2024	2,16,000	5	Nil
Mr. Bhavin Girishbhai Shah	Allotment-Bonus Issue	April 24, 2024	7,000	10	Nil
	Allotment-Bonus Issue	July 22, 2024	12,000	5	Nil
Mr. Rishi Shah	Gift	June 11, 2024	1,00,000	10	Nil
	Allotment-Bonus Issue	July 22, 2024	1,00,000	5	Nil
Ms. Zea Keyur Shah	Gift	June 10, 2024	1,00,000	10	Nil
	Allotment-Bonus Issue	July 22, 2024	1,00,000	5	Nil
Mr. Mayur Rajnikant Shah	Transfer	September 23, 2024	17,000	5	120

\*As certified by M/s. Shah Mehta & Bakshi, Chartered Accountants, by way of their certificate dated October 14, 2024

<sup>#</sup> Also, the Promoter Selling Shareholder

**R. DETAILS OF PRE-IPO PLACEMENT**

Our Company has not made any pre-IPO placement. Further, our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

**S. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST 1 (ONE) YEAR**

Other than as disclosed in the section titled “*Capital Structure*” on page 84, our Company has not issued any Equity Shares for consideration other than cash except bonus issue in the 1 (one) year preceding the date of this Draft Red Herring Prospectus.

**T. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST 1 (ONE) YEAR**

Except as disclosed below, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

Pursuant to a resolution of our Board dated June 29, 2024 and shareholders’ resolution dated July 08, 2024, 1 (one) equity shares of face value of ₹ 10/- each of our Company were sub-divided into 2 (Two) equity shares of face value of ₹ 5/- each. Consequently, the issued and subscribed share capital of our Company comprising 73,82,083 equity shares of face value of ₹10/- each was sub-divided into 1,47,64,166 equity shares of face value of ₹ 5/- each.

For further details, see section title “*Capital Structure*” on page 67

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

SEBI has pursuant to its letter dated September 19, 2024 bearing reference number SEBI/HO/CFD/RAC-DIL2/OW/2024/29850/1 in response to our exemption application dated June 20, 2024, under Regulation 300(1) of the SEBI ICDR Regulations rejected the exemption sought from identifying MGC Moser-Glaser AG (“MGC”) and Pfiffner Instrument Transformers Private Limited (“Pfiffner India”) with respect to the disclosure of information and confirmations required from MGC and Pfiffner India as group companies of our Company under the SEBI ICDR Regulations, and directed us to include information and confirmations, as available in the public domain. For further details, refer section titled “*Our Group Companies*” on page 231.

### SECTION III: RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares.*

*The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Red Herring Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 167 and 278 of this Draft Red Herring Prospectus respectively as well as other financial and statistical information contained in this Draft Red Herring Prospectus.*

**This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with Restated Financial Statements of our Company prepared in accordance with the Companies Act, 2013 and restated in accordance with the ICDR Regulations, including the schedules, annexure and notes thereto.**

#### **Materiality**

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

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this section, please refer to the section titled 'Definitions and Abbreviations' as described on the beginning of page 8 of this Draft Red Herring Prospectus

The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

In this Draft Red Herring Prospectus, discrepancies, if any, between total and the sums of the amount listed are due to rounding off.

#### **INTERNAL RISKS FACTORS:**

1. ***We intend to utilize a portion of the Net proceeds for setting up the Proposed Manufacturing Facility at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat. We are yet to place orders for plant, machinery and equipment and apply for requisite government approvals for the Proposed Manufacturing Facility. If we are unable to commission our Proposed Manufacturing Facility without time and cost overruns or unable to adhere to the schedule of implementation, it may adversely affect our business, results of operations and financial conditions.***

Our Company is engaged in the business of manufacturing of capacitive type transformer bushings including oil impregnated paper bushing, high current bushing and assembling of resin impregnated paper/resin impregnated synthetic bushings. The present manufacturing facility of our Company is situated at 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India. Our Company is proposing to set up a new factory to manufacture RIP transformer condenser

graded bushings for which the Company has entered into a binding sale deed dated July 1, 2024 with Hamraz Food Products Private Limited for the land situated at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat.

We intend to utilize the Net Proceeds for setting up the Proposed Manufacturing Facility. We have obtained a Cost Assessment Report dated October 14, 2024 from independent chartered engineer ( “**Cost Assessment Report**”) which has estimated the total cost of the project to be ₹ 7,321.55 lakhs comprising of (i) purchase of land (including base consideration, developmental charges, initial maintenance charge and registration and stamp duty) for building factory for the manufacture of RIP condenser graded bushings amounting to ₹ 932.91 lakhs out of which ₹ 488.43 lakhs has already been deployed from our internal accruals and the balance amount of ₹ 444.48 lakhs is proposed to be utilised from the net proceeds of the Fresh Issue; (ii) construction of factory building amounting to ₹ 2,257.05 lakhs is proposed to be utilised from the net proceeds of the Fresh Issue; (iii) purchase of plant and machinery amounting to ₹ 3,881.03 lakhs out of which ₹ 271.92 lakhs has already been deployed from our internal accruals and balance amount of ₹ 3,609.11 lakhs is proposed to be utilised from the net proceeds of the Fresh Issue; (iv) construction of extra high voltage (“**EHV**”) testing lab amounting to ₹ 780.32 lakhs is proposed to be utilised from the net proceeds of the Fresh Issue; and (v) project management consultancy amounting to ₹ 493.85 lakhs out of which ₹ 263.25 lakhs has already been deployed from our internal accruals and balance amount of ₹ 230.59 lakhs is proposed to be utilised from the net proceeds of the Fresh Issue.

Our company has identified the land for setting up the manufacturing facility, items for construction of factory building, plant and machinery and equipment for EHV lab and has received quotations from suppliers which are valid for a specific period of time. Our Company has entered into Memorandum of Understanding dated February 10, 2024 for the purpose of project management consultancy. However, we have not entered into any definitive agreement with any of the suppliers except as explicitly mentioned under the sections “Land”, “Plant & Machinery” and “Project Management Consultancy” as provided in the section titled “*Objects of the Offer*” beginning at page 102 and there can be no assurance that the same suppliers will be engaged eventually for the respective works at the same costs.. Any delay in access to IPO proceeds may eventually delay the process of placing the orders. The items for construction of factory building, plant and machinery and equipment would require us to consider factors including but not limited to pricing, delivery schedule etc. There may be a possibility of delay at the supplier’s end in providing timely delivery of these machineries, equipment’s and utilities, which in turn may delay the implementation of our expansion plan. Our Company, depending on various factors, will finalise the suppliers for the proposed manufacturing facility which may not be the same from whom the quotations were obtained. Further, the quotations relied upon by us in arriving at the total cost of machineries, equipment’s and utilities are valid for a specific period of time and may lapse after the expiry of the specific period. Any time and cost overrun due to our failure to purchase plant and machinery within our budget could adversely impact our financial condition temporarily and also delay our growth prospects.

Our expansion plan may be subject to delays and other risks such as unforeseen engineering or technical problems, disputes with workers, force majeure events, unanticipated cost increases or changes in scope, etc. Additionally, we may face risks in commissioning the Proposed Manufacturing Facility including but not limited to, delays in the civil constructions, problems with its facilities or for other reasons. Also, we are yet to apply for all the registrations and regulatory approvals required for the said unit. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our planned expansion and operations.

We cannot assure that we will be able to utilize our proposed manufacturing facility to its full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits and may adversely affect our business, results of operations and financial condition. If our proposed manufacturing facility does not function as efficiently as intended or utilisation is not optimal, we may not be able to fulfil additional orders to generate anticipated or desired revenue as projected.

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 read section “*Objects of the Offer*” beginning on page 102 of the Draft Red Herring Prospectus.



2. ***There can be no assurance that the Objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.***

Our Company intends to use approximately 7,321.56 lakhs of Net proceeds for setting up the Proposed Manufacturing Facility. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its *inter se* allocation across various heads under the setting up of the Proposed Manufacturing Facility, as disclosed in the section titled “Objects of the Offer” on page 102.

Further, the plans for deployment of the Net Proceeds are in accordance with our management’s estimates and have not been appraised by any bank or any financial institution. Although we have obtained Cost Assessment Report which highlights the estimated cost of the Proposed Manufacturing Facility that will be utilised from the Net Proceeds, our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations and consequently its requirements may change.

In the event there is a shortfall in the Gross Proceeds raised from this Issue, we may be unable to commission the Proposed Manufacturing Facility. In case of any shortfall of the proceeds raised from this Issue, there can be no assurance that we will be able to raise the funds through other sources to complete the Proposed Manufacturing Facility. In case of shortfall in the proceeds of this Issue which are to be utilized for meeting the objects of the Issue, the shortfall will be met by such means as are available to our Company at such future time and at the discretion of the management, including by way of cash available with us or by any other means permissible under law. We cannot assure that we will be able to arrange for adequate cash or will be able to procure further loans to meet the funding requirements. Any failure to meet the additional funding requirements will have a material adverse effect on the implementation of the stated object.

We may also be required to adhere to certain restrictive covenants as regards raising of finance for the facility from means other than those sanctioned under our present financing documents. Any failure or delay on our part to raise funds from the Issue or any shortfall in the Issue proceeds and subsequent inability of our Company to source alternate means of finance may delay the implementation of our object and could adversely affect our growth plans.

3. ***We depend on limited suppliers for our raw material requirements. The loss of one or more such suppliers could adversely affect our business, results of operations, financial condition and cash flows.***

The table below provides the cost of raw material procured from our top supplier, top three and top five suppliers:

Particulars	For the three months ended June 30,2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ in lakhs)	% of Purchases	Amount (₹ in lakhs)	% of Purchases	Amount (₹ in lakhs)	% of Purchases	Amount (₹ in lakhs)	% of Purchases
Top Supplier	910.43	55.33	3237.31	49.76	2916.90	53.58	2023.02	47.92
Top 3 Suppliers	1,155.69	70.23	4070.54	62.57	3609.63	66.31	2667.41	63.18
Top 5 Suppliers	1,234.67	75.03	4578.29	70.37	4066.49	74.70	2885.33	68.35

The loss of one or more of our significant suppliers or any increase in the cost of raw materials we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. Our reliance on a select group of suppliers may also constrain our ability to negotiate our raw material requirements, which may have an impact on our profit margins and financial performance. Similarly deterioration of the financial condition or business prospects of these suppliers could reduce their ability to meet our requirements. Further, there can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of the raw materials. If we experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure raw materials from other sources, we will be unable to meet our production schedules which will adversely affect our sales and customer relations. Except for operating restrictions/ lockdown consequent to outbreak of COVID-19 pandemic which temporarily affected our ability to source raw materials we have not encountered any significant disruption to the supply of raw materials three months ended June 30, 2024 and for the financial years ended 2024, 2023 and 2022.

4. *Our raw material cost constitutes a significant percentage of our total expenses. Any increase in the prices of raw materials or a change in our customers preference of raw material suppliers could adversely affect our reputation, business, results from operations, financial conditions and cash flows.*

We undertake procurement of raw materials from both domestic and international sources based on factors including but not limited to market availability, pricing and quality. Our basic raw materials include Rip Core, Insulators, Transformer Grade Paper, PU, Copper and Aluminium Components and electrical components. We import part of our raw materials such as Rip Core, Insulator, Paper and PU etc required for manufacturing of bushing from Switzerland, Germany, China and Singapore. The primary raw material which we utilize at our Manufacturing Facilities is RIP Core, Electrical Component, Insulators etc. Prices fluctuate based on a number of factors, such as, the availability and cost of raw material inputs, fluctuations in domestic and international demand and supply of Metals and forex movements in the currencies and international cargo freight, international production and capacity, fluctuation in the volume of RIP Core and Insulators in the international markets, transportation costs, protective trade measures and various social and political factors, in the economies in which the e.g. CHF, USD and Euro producers sell their products. If we are unable to procure the required quantity of raw material for our products, we may be unable to operate our factory at optimum capacity. Such an event could adversely affect our reputation, business, results from operations, financial conditions and cash flow. The table below sets out the consumption of RIP Core as a percentage of total raw materials consumed by our Company during the period three months ended June 30, 2024 and during the financial years 2024, 2023 and 2022, respectively:

Particulars	For the three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ lakhs)	% of Raw Material Consumed	Amount (₹ lakhs)	% of Raw Material Consumed	Amount (₹ lakhs)	% of Raw Material Consumed	Amount (₹ lakhs)	% of Raw Material Consumed
RIP Core	821.25	63.66%	3,739.39	64.45%	2,612.30	54.13%	1,837.93	51.69%

The table below sets out the cost incurred in purchase of raw materials from domestic and international suppliers as a percentage of our total raw material cost for the three months ended June 30, 2024 and during the financial years 2024, 2023 and 2022, respectively.

Particulars	For the three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ lakhs)	Percentage of total Raw Material	Amount (₹ lakhs)	% Percentage of total Raw Material	Amount (₹ lakhs)	Percentage of total Raw Material	Amount (₹ lakhs)	Percentage of total Raw Material
Cost of raw material procured from domestic suppliers	493.07	31.33%	2,073.23	33.80%	1,377.90	26.84%	1,347.11	33.93%
Cost of raw material procured from international suppliers	1,080.60	68.67%	4,061.97	66.20%	3,755.95	73.16%	2,622.79	66.07%
<b>Total</b>	<b>1,573.67</b>	<b>100.00%</b>	<b>6,135.20</b>	<b>100.00%</b>	<b>5,133.85</b>	<b>100.00%</b>	<b>3,969.90</b>	<b>100.00%</b>

5. *Our business is dependent on the sale of our products to certain key customers. The loss of any such customers or a significant reduction in the sales made to such customers, could materially adversely affect our business, results of operations and financial condition.*

For the three months ended June 30, 2024 and for the financial years ended 2024, 2023 and 2022, we derived revenue from operations of ₹ 2,321.61 lakhs, ₹ 8,729.10 lakhs, ₹ 7,846.34 lakhs and ₹ 5,580.60 lakhs, respectively, from our top ten clients, representing approximately 84.03%, 80.47%, 86.83% and 85.78%, respectively, of our total revenue from operations.. Any downsizing by these clients may reduce their spending on the services provided by us. Further, there are a number of factors outside our control that might result in the loss of a client, including financial difficulties for a client; change in strategic priorities; and a demand for price reductions. The loss of any one or more of large clients could have an adverse effect on our business, profits and results of operations.

**6. *Majority of our revenue is dependent on single business segment i.e. transformer bushings. Any adverse impact on sales of transformer bushings would adversely affect our operations and profitability.***

Majority of our revenue is dependent on single business segment i.e. transformer bushings. Our continued reliance on single business segment for a significant portion of our revenue exposes us to risks, including but not limited to, reduction in the demand in the future; increased competition from domestic and international manufacturers; the invention of superior and cost-effective technology; fluctuations in the price and availability of the raw materials; changes in regulations and import duties; and the cyclical nature of our customers' businesses. Any occurrences of such event could significantly reduce our revenues, thereby materially adversely affecting our results of operations and financial condition.

**7. *All our existing manufacturing facilities and Proposed Manufacturing Facility are situated at Vadodara, Gujarat resulting in concentration in a single region. Any slowdown or shutdown or any interruption for a significant period of time at our existing manufacturing facilities and Proposed Manufacturing Facility for a significant period of time, may in turn adversely affect our business, financial condition and results of operations.***

Our manufacturing facility is located at 84/1B, PO Khakharia, Taluka Savli, Vadodara 391510, Gujarat, India. This concentration in a single region presents a potential risk. Any significant localized social unrest, natural disasters, production delays, or shutdowns—alongside political instability, workforce productivity challenges, regulatory compliance issues, rising production costs, or quality assurance problems—could adversely affect our operations. Additionally, unforeseen events such as pandemics or other disruptions in or around Vadodara or in the State of Gujarat could have a considerable impact on our business and financial health. Our manufacturing facility has an installed capacity of 3700 units for OIP Condenser Bushing, 3000 units for RIP Condenser Bushing and 300 units for High Current Bushing and actual capacity utilized for OIP Condenser Bushing is 78.30%, for RIP Condenser Bushing is 96.83% and for High Current Bushing is 30% for FY 2023-2024 as certified by the Chartered Engineer Rajendrakumar M. Trivedi, (Membership No.: M-1736773) vide certificate dated September 20, 2024. For further details, please refer to heading “Capacity and Capacity Utilisation” in the section titled “Our Business” on page 167 of this Draft Red Herring Prospectus. Our business is dependent upon our ability to effectively manage our manufacturing facility, which are subject to various operating risks, including those beyond our control, such as the breakdown, failure of equipment or industrial accidents, severe weather conditions, fire, power interruption and natural disasters. If we are unable to repair or properly maintain manufacturing assets in a timely manner or at all, our operations may need to be suspended until we repair or replace them and there can be no assurance that the new manufacturing assets will be repaired, procured and/or integrated in a timely manner.

This geographic concentration and concentration of manufacturing facility also increases our vulnerability to competitive pressures and economic, political, and demographic changes within Gujarat, which could materially affect our business, financial condition, and operational results.

**8. *Certain of our Group Companies (which are no longer not related parties) have not consented to the inclusion of, nor have they provided, information or any confirmations or undertakings pertaining to themselves, which are required to be disclosed in relation to Group Companies under the SEBI ICDR Regulations in this Draft Red Herring Prospectus. Consequently, we cannot assure you that the disclosures relating to such Group Companies are complete or up-to-date.***

We had certain related party transactions with, MGC Moser-Glaser AG (“MGC”) during the period three months ended June 30, 2024 and during the financial years 2024, 2023 and 2022, and with Pfiffner Instrument Transformers Private Limited (“Pfiffner India”) during the financial years 2024, 2023 and 2022. However, pursuant to the share purchase agreement dated March 25, 2024 executed between MGC, our Company and Mr. Keyur Girishchandra Shah, Promoter and MD of our Company, for purchase of the entire shareholding of MGC by Mr. Keyur Girishchandra Shah, MGC ceased to be a shareholder of the Company and consequently a related party with effect from April 16, 2024. Additionally, Pfiffner India was related party of our Company as Mr. Keyur Girishchandra Shah, Promoter and MD of our Company, was an executive director on the board of Pfiffner India. However, Mr. Keyur Girishchandra Shah ceased to be a director on the board of Pfiffner India from June 13, 2024 and accordingly Pfiffner India is no longer a related party of the Company with effect from June 13, 2024. As a result, MGC and Pfiffner India were required to be identified as Group Companies under

Regulation 2(1)(t) SEBI ICDR Regulations. Our Company had, by way of e-mail dated May 31, 2024, sought and requested from MGC and Pfiffner India, to provide the requisite information, confirmations and undertakings, as required from a group company under the SEBI ICDR Regulations (collectively, “**Prescribed Information**”), for making adequate disclosures in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Since, MGC and Pfiffner India ceased to be related parties they vide their email dated May 31, 2024 denied to provide the provide the Prescribed Information. In view of non-receipt of the Prescribed Information from MGC and Pfiffner India, we had made an application dated June 21, 2024 to SEBI under Regulation 300 of SEBI ICDR Regulations for seeking relaxation from identifying MGC and Pfiffner India as group companies in the DRHP, RHP and Prospectus. SEBI vide its letter dated September 19, 2024 directed us to identify MGC and Pfiffner India as group companies and provide the Prescribed Information based on the information available in the public domain. For further details, see section titled “*Our Group Companies*” on page 231.

While our Company has included disclosures in this Draft Red Herring Prospectus based on the information published on the website of the Ministry of Corporate Affairs, Government of India and other publicly available data in respect of Pfiffner India and publicly available data for MGC, our Company is not in a position to ascertain the completeness of the publicly available information, as on the date of this Draft Red Herring Prospectus, or any subsequent developments which may impact the disclosures pertaining to MGC and Pfiffner India, respectively. Further, with respect to the litigation involving MGC and Pfiffner India, our Company pursuant to the Materiality Policy has determined that any pending litigation involving MGC and Pfiffner India (based solely on publicly available information) will not have a material impact on our Company.

**9. Information relating to the historical installed capacities of our Manufacturing Facilities included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates by the chartered engineer.**

The table below sets forth the installed production capacity and the capacity utilization at our Manufacturing Facility for the three months ended June 30, 2024, financial years ended 2024, 2023 and 2022:

Particulars	Three months Ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b><u>OIP Condenser Bushing</u></b>				
Installed capacity (in no.)	3,700	3,700	3,000	2,200
Actual production (in no.)	689	2,897	2,397	1,293
Capacity utilization (in %)	18.62%*	78.30%	79.90%	58.77%
<b><u>RIP Condenser Bushings</u></b>				
Total installed capacity (in no.)	3,000	3,000	3,000	2,000
Actual production (in no.)	444	2,905	1,940	1,731
Capacity utilization (in %)	14.80%*	96.83%	64.66%	86.55%
<b><u>High Current Bushings</u></b>				
Total installed capacity (in no.)	300	300	300	300
Actual production (in no.)	16	90	166	220
Capacity utilization (in %)	5.33%*	30.00%	55.33%	73.33%

Note: As certified by Rajendrakumar M. Trivedi, Chartered Engineer, by way of their certificate dated September 20, 2024

\* Not comparable with previous years since actual production is for the period of 3 months ended June 30, 2024 cannot be annualised.

Information relating to our installed capacities and the historical capacity utilisation of our Manufacturing Facility may be based on certain assumptions and estimates, including assumptions relating to availability and quality of raw materials, product demand and operational efficiencies. While we have obtained a certificate dated September 20, 2024 from Mr. Rajendrakumar M. Trivedi, Chartered Engineer, in relation to such capacities and actual production levels, future capacity utilisation may vary significantly from the estimated production capacities of our production facility and historical capacity utilisation rates. In addition, capacity utilisation is calculated differently in different countries, industries and for the kinds of products we manufacture.. If we are unable to fully utilize our installed capacities there could be a negative

impact on our cost and profitability and thereby adversely affecting our financial condition. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilisation information for our existing facilities included in this Draft Red Herring Prospectus. For further details of our production and capacity utilization, see the section titled “*Our Business- Capacity and Capacity Utilization*” on page 167.

10. ***Our Promoter Group Entity and one of our Group Company (which is no longer a related party) are engaged in the line of business similar to our Company. There are no non - compete agreements between our Company and such Promoter Group Entity and Group Company.***

Our Promoter Group Entity namely, M/s Yash Swisstech Private Limited is a commercial agent of certain foreign manufacturers of electrical power products, which can be considered as similar line of business as of our Company to a limited extent. Also, M/s. MGC Moser-Glaser AG, a group company defined in accordance with Regulation 2(1)(t) of SEBI ICDR Regulations since our Company had related party transactions with it, is engaged in the business of dealing in RIP/RIS Bushings which is a similar line of business as of our Company. However, pursuant to the share purchase agreement dated March 25, 2024 executed between MGC, our Company and Mr. Keyur Girishchandra Shah, Promoter and MD of our Company, for purchase of the entire shareholding of MGC by Mr. Keyur Girishchandra Shah, MGC ceased to be a shareholder of the Company and consequently a related party with effect from April 16, 2024.

We have not entered into any non-compete agreement with the said entities. As a result, conflicts of interests can arise on account of common suppliers/customers and in allocating business opportunities. In cases of conflict, our Promoter may favour other entity/entities in which our Promoter has interests. There can be no assurance that M/s Yash Swisstech Private Limited or MGC Moser-Glaser AG will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

11. ***We are subject to strict quality requirements and any product defect issues or failure by us to comply with quality standards may lead to the cancellation of existing and future orders, recalls or warranty and liability claims.***

High-quality bushings significantly enhance the reliability, safety, and longevity of electrical equipment, making them indispensable in power transmission and distribution networks. The superior quality of bushings is critical in high-voltage electrical systems such as transformers, circuit breakers, and switchgear. Bushings serve as essential insulating components that ensure the safe passage of electrical conductors through grounded enclosures, maintaining electrical integrity and preventing faults. Superior quality bushings enhance electrical insulation and safety, improves equipment reliability, mechanical strength and durability, enhances resistance to environmental and chemical degradation and minimises the risk of catastrophic failures. Superior-quality bushings not only extend the life of critical electrical equipment but also support the seamless and sustainable functioning of modern power grids. We have implemented the ISO 9001 Quality Management System since 2009, which has matured over 15 years to ensure consistent quality. Though we use advanced 3D modelling and rigorous testing to ensure our bushings meet several global standards, including IEC/IEEE and ANSI standards, we face inherent risks related to product defects, which could result in liability claims if our products cause injury or damage to individuals or property. If we encounter defect liability claims that exceed our insurance coverage, we could incur significant financial losses, potentially jeopardizing our financial stability and overall business operations. Additionally, our ability to meet regulatory quality standards is critical to our success. However, there is a risk that we may not consistently fulfill these standards or the specific quality requirements set by our customers. Any failure to comply could lead to product recalls, reputational damage, potential legal liabilities and incurring of significant costs to defend any such claims. Such occurrences could materially adversely affect our business operations, market position, and financial results, posing serious risks to our growth prospects and stakeholder confidence. We remain committed to actively monitoring and managing these risks to protect the future of our company.

12. ***Any breach of confidentiality regarding our technical know-how could weaken our competitive advantage.***

Certain number of our employees have access to confidential design and production information, certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the manufacturing process and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our competitor. Although we may seek to enforce confidentiality obligation in terms of our staff rules, we cannot guarantee that we will be able to successfully enforce such rules. While we are not aware of any such instances of breach of our technical know-how for the three months ended June 30, 2024 and for the financial years ended 2024, 2023 and 2022. In the event that the confidential technical information in respect of our business becomes available to third parties or to the general public, the competitive advantage that we may have over other companies could be harmed. If our competitor is able to reproduce or otherwise capitalize on our technical know-how, it may be difficult and/ or expensive for us to obtain

necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

**13. *We are dependent on third party service providers for smooth supply, transportation and timely delivery of our products to customers.***

We rely on transportation service providers for the timely delivery of our products to our customers located in India and other countries. Therefore, we face a risk that there could be deficiency or interruption in these third-party services. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacy of road infrastructure, geo-political factors impacting shipping route and air transportation or other events may affect our delivery schedules and impair our supply to our customers. To the extent that our losses are not covered by insurance, this may have a material adverse effect on our business and results of operations. Delays or non-delivery of our products may also have a material adverse effect on our business and results of operations. We do not enter into formal contracts with our third-party logistic service providers, and hence are exposed to fluctuations in transportation costs. However, in the event that these logistic service providers are unable to provide these necessary services for our operations for reasons which are beyond our control and we are unable to secure alternate transport arrangements in a timely manner and at an acceptable cost, or at all, our business, results of operations and reputation may be materially adversely affected.

**14. *Our business is dependent upon the demand for transformers. Any downturn or cyclical fluctuation in the power generation, transmission and distribution sector could reduce the demand for transformers, which in turn could reduce the demand of our products.***

Our company specializes in the manufacturing and distribution of transformer bushings, including high current bushings, OIP condenser bushings, and RIP condenser bushings. Our financial performance and operations are significantly influenced by the demand for transformers, which in turn is influenced by demand in the power generation, transmission, and distribution sector. Any downturns or cyclical variations in this sector, or developments that could diminish the economic advantages of our products, may adversely impact our financial condition and operational results. Consequently, our business and financial outcomes will continue to be closely tied to the demand for transformers and the broader conditions impacting the transformer industry.

**15. *Our inability to manage our growth may disrupt our business and reduce our profitability.***

From Fiscal 2022 to Fiscal 2024, our total revenue has grown at a CAGR of 29.19%. As part of our growth strategy to meet customer needs, we are committed to diversify our product offerings, customer base and geographic footprint and minimizing our exposure to individual markets and segment. This will in turn result in substantial demands on our management, operational, and financial resources and our growth will require us to continuously invest in our operations and improve our operational, financial and internal controls, employee costs, newer units in newer locations, expansion of existing units and administrative infrastructure.

Our inability to execute our growth strategies in a timely manner or within budget estimates or our inability to meet the expectations of our customers and other stakeholders, could have an adverse effect on our business, results of operations and financial condition. Further, in order to manage our growth effectively, we must upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to upgrade and improve our systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively and implement our business strategy and effectively respond to changes in market dynamics could adversely affect our business and results of operations.

**16. *Product liability claims and product recalls could harm our reputation, business, financial condition, cash flows and results of operations.***

Our reputation is a key asset of our business. We face risks of exposure to product liability or recall claims if our products fail to meet the required quality standards. We face the risk of legal proceedings and product liability claims being brought against us by various entities including consumers and distributors for various reasons including for defective and contaminated products sold. We cannot assure you that we will not experience any product recalls or material product liability losses in the future or that we will not incur significant costs to defend any such claims. While we maintain a comprehensive general liability insurance cover, a product recall or a product liability claim may adversely affect our reputation and brand image, which may adversely affect our reputation, business, financial condition, cash flows and results of operations. .

**17. *Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.***

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on acceptable terms, in a timely manner or at all, we may be required to shut down or relocate our offices or warehouses and face other consequences due to which our business operations may be adversely affected. Changes in legislation and current regulations entailing stricter requirements and changes in conditions in terms of health, safety and environment or progress towards a stricter official application of legislation and regulations may require additional investment and lead to higher costs and other undertakings which may impact our business and operations. Further, these licenses, registrations and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this noncompliance. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, kindly refer the section titled "Government and Other Approvals" on page 296.

**18. *We generally do not have any firm supply agreements with our customers. If our customers choose not to source their requirements from us, our business and results of operations may be materially adversely affected***

We do not generally have firm supply agreements with most of our customers and instead we rely on the purchase orders issued by our customers from time to time that set out the volume and other terms of our sales of products. Our customers do not typically place firm purchase orders until a short time before the products are required from us, making it difficult for us to forecast revenue, production volume or sales. We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control and our customers caused by matters such as acts of God, strikes, civil commotion, riots, war, revolution, acts of governments, pandemics and lockdowns etc. may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons beyond our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to fulfil the orders placed. In addition, even where a completion of the order proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed may have an adverse effect on our business and results of operations.

**19. *Our failure to identify evolving industry trends and technologies and to develop new products to meet our customers' demands may materially adversely affect our business and results of operations.***

Any changes in customer's requirements regulatory changes or competitive technologies may render our products obsolete or less attractive. We face competition in India and overseas market, which is based on many factors, including product quality and reliability, product design and innovation, manufacturing capabilities and price. Some of our competitors may have certain advantages, including greater financial, technical and/or marketing resources, which could enhance their ability to respond more quickly to technological changes and customer demands. Further, some of our competitors may be able to produce similar or equivalent products at lower costs than we can produce them. Further, we may not be able to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis to remain competitive. Also there can be no assurance that we will be able to secure the necessary technological knowledge to enable us to enhance our product portfolio to meet changing customer and regulatory demands. Our failure to successfully adopt such technologies in a cost effective and timely manner, innovate and adapt to the changing demands from customers and regulators may lead to us being less competitive in the industry and may materially adversely affect our business and results of operations.

**20. We have contingent liabilities and commitments and our financial condition could be adversely affected if any of these contingent liabilities materializes.**

As on June 30, 2024, we had the following contingent liabilities and commitments:

Particulars	Amount (₹ In Lakh)
<b>A. Contingent Liabilities</b>	
Sales Tax Demand for F.Y 2015-16	4.76*
CST Demand for F.Y 2015-16 & 2017-18	4.22*
GST Litigation for period July 2017 to 2022	220.95**
<b>Sub Total</b>	<b>229.93</b>
<b>B. Capital Commitments</b>	<b>82.43</b>
<b>C. Total (A+B)</b>	<b>312.36</b>

\*Before considering the pre-deposit amount of ₹ 2.59 Lakhs

\*\* Before considering the pre-deposit amount of ₹ 4.14 Lakhs

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of our contingent liabilities materialize, it could have an adverse effect on our results of operations, financial condition and cash flows. For details, see Note No. 27 of “Restated Financial Statements” on page 238.

**21. Some of our business agreements are not stamped & registered and may not be legally enforceable which may have a material adverse impact on our business.**

The leave and license agreement for our corporate office situated at 603, 6th floor, Ozone Complex, Sarabhai Compound, Dr. Vikram Sarabhai Marg, Subhanpura, Vadodara-390023, Gujarat, and leave and licence agreement for the guest house situated at Flat No. 7, Parita Park, Near Natubhai Circle, Race Course, Vadodara are inadequately stamped and unregistered. The lack of stamping and registration means these documents may not be admissible as evidence in legal proceedings, potentially affecting our ability to legally enforce their terms. Should any disputes arise from these unstamped or unregistered agreements, we may encounter significant difficulties in asserting our rights, which could materially adversely impact our business.

**22. The agreements executed by our Company with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.**

We have entered into agreements for our borrowings with Axis Bank Limited (“Lender”). These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, further expansion of business, which require our Company to obtain prior approval of the Lender for any of the above activities. For details of these restrictive covenants, please refer to section titled — “Financial Indebtedness” on page 286 of this Draft Red Herring Prospectus.

While, as on the date of this Draft Red Herring Prospectus, we have complied with all covenants and obtained all requisite consents from our lenders for undertaking the Offer, there can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business in the future. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. A default under certain of our financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such other financing agreements becoming due and payable immediately. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, financial condition and results of operations may be adversely affected.



23. *We have not entered into any arrangements for alternate source of raising the funds required for our “Objects of the Issue”. Any shortfall in raising/meeting the same could adversely affect our growth plans, operations and financial performance.*

As on date of this Draft Red Herring Prospectus, Our Company has not entered into any definitive arrangement for alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. We meet our capital requirements through, owned funds, internal accruals external debt. Any shortfall in our owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Any failure or delay on our part to raise money from this Offer or any shortfall in the Offer proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the section titled “Objects of the Offer” beginning on page 102 of this Draft Red Herring Prospectus.

24. *There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceeding may have a material adverse effect on our business, results of operations and financial condition.*

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

The contingent liability in respect of the tax litigation against our Company have been disclosed in the section titled “Restated Financial Statements” – “Details of Contingent Liabilities & Commitments as Restated” on page 238 of this Draft Red Herring Prospectus.

A summary of outstanding litigation proceedings involving our Company, Directors, Promoter and Group Companies, as disclosed in “Outstanding Litigation and Material Developments” on page 292 in terms of the SEBI ICDR Regulations and the Materiality Policy, as applicable, as of the date of this Draft Red Herring Prospectus is provided below:

<b>Nature of Proceedings</b>	<b>Criminal Proceedings</b>	<b>Tax Proceedings</b>	<b>Statutory or Regulatory Proceedings</b>	<b>Disciplinary actions by the SEBI or Stock Exchanges against our Promoter</b>	<b>Material Civil Litigation</b>	<b>Amount involved (₹. in lakhs) *#</b>
<b>Company</b>						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	3	Nil	Nil	Nil	216.77
<b>Directors (other than promoter)</b>						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
<b>Group Company</b>						
By our Group Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Group Company	Nil	2	Nil	Nil	Nil	0.85

\*To the extent quantifiable

#Excludes any interest/penalty in relation to the proceedings

**25. *If we experience a cyber security breach or other security incident or unauthorised parties otherwise obtain access to our data, our reputation may be harmed, demand for our products may be reduced and we may incur significant liabilities, which could adversely affect our business and our reputation.***

While we have taken steps to protect the security of the information that we handle, there can be no assurance that any security measures that we have implemented will be effective against current or future security threats. Our security measures could fail and result in unauthorised access to or use of our platform and products or unauthorised, accidental or unlawful access to, or disclosure, modification, misuse, loss or destruction of, our customers data.

In addition, computer malware, computer hacking, fraudulent use, social engineering (such as spear-phishing attacks), ransomware, credential stuffing, denial of service attacks, supply chain attacks, and general malicious activity have become more prevalent, and such incidents or incident attempts have occurred in the past and may occur in the future. If an actual or perceived breach of our security occurs, the perception of the effectiveness of our security measures could be harmed, which, in turn, could damage our relationships with our customers. If security measures are breached because of employee theft, exfiltration, misuse or malfeasance, our actions, omissions, or errors, unintentional events, deliberate attacks by cyber criminals or otherwise, or if design flaws in our software or systems are exposed and exploited, our relationships with customers could be damaged, and we could incur liability. A party that can circumvent our security measures could misappropriate our proprietary information or the information of customers, cause an interruption in our operations or damage the computers or other hardware of such dealers or consumers. As a result of any such breaches, our customers may assert claims of liability against us for our failure to prevent these activities. These activities may subject us to legal claims, which in turn may have an adverse effect on our business, results of operations, cash flows and financial condition. Failure to protect our customers data, or to provide our customer with appropriate notice of our privacy practices, could also subject us to liabilities imposed by regulatory agencies or courts.

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

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, air and water discharges and other aspects of our operations. Although no accidents /incidents occurred for the three months ended June 30, 2024 and for the financial years ended 2024, 2023 and 2022 and we have implemented safety related measures, any accidents at our facilities may result in personal injury or loss of life of our employees or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. Additionally, adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition.

**27. *Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.***

Our business activities are dependent on availability of skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. Though we have not faced any labour problem in the for the three months ended June 30, 2024 and for the financial years ended 2024, 2023 and 2022 we cannot assure that we will not experience disruptions to our operations due to disputes, increased wage demands or other problems with our work force, which may lead to strikes or lock- outs or. Such issues could have adverse effect on our business, and results of operations.

**28. *Increases in operational costs could adversely affect our results of operations.***

Factors such as inflation, increased employee benefit costs (by regulation or otherwise), increased rental costs, and increased energy costs may increase our operating costs. Further, to maintain our operational costs and margins, it is imperative to optimize the expansion of business operations and product portfolio. Many of the factors may also affect our vendors and channel partners, which are beyond their control. Although, there have been no such instances in the past, any future increase in the operational costs may cause such third parties to pass costs on to us and our end users by increasing prices, which would likely an adverse effect on our business, financial condition and results of operations.

29. ***Our operations are dependent on our ability to attract and retain qualified personnel which are in high demand in India. Our Company also depends on the skills and experience of our individual Promoter and Key Managerial Personnel and Senior Management for our growth. Any inability to retain the services of individual Promoter, Key Managerial Personnel, Senior Management and qualified personnel could adversely affect our business, results of operations, cash flows and financial condition.***

We benefit from the strategic guidance of Mr. Keyur Girishchandra Shah, our Promoter, who is also the Chairman and Managing Director of the Company. If his involvement in our business reduces in the future, we may be unable to implement our plans as anticipated or maintain administrative control as we currently do, which in turn could adversely affect our business, results of operations, financial condition and prospects.

Furthermore, our future performance will also depend on the continued service of our Key Managerial Personnel and Senior Management and qualified personnel with technical expertise and relevant experience in the industry, and the loss of any such personnel and the inability to find an adequate replacement may impair our level of technical expertise and our relationship with our customers, which may adversely affect our business, results of operations, financial condition and prospects. For details of our Board, Key Managerial Personnel and Senior Management, see section titled “*Our Management –Key Managerial Personnel and Senior Management*” on page 206.

Set out below are details of attrition of our employees for the periods/years indicated:

Particulars	As of and for the three months ended June 30, 2024	Fiscal		
		2024	2023	2022
Total number of employees	130	133	134	104
Attrition rate (%)	12.16%	27.72%	15.72%	13.33%

*\*Not annualized*

Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our key personnel may adversely affect our business, results of operations, cash flows and financial condition. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation to remain competitive in attracting employees that our business requires. Set out below are details of our employee benefit expenses for the periods/years indicated

*(₹ In Lakhs)*

Particulars	For the three months ended June 30, 2024	Fiscal		
		2024	2023	2022
Employee benefits expense (in ₹ lakhs)	282.29	1,188.72	1,019.24	565.19
Employee benefits expense as a % of total revenue from operations	10.22	10.96	11.28	8.69
Employee benefits expense as a % of total expenses	12.03	12.83	13.70	10.67

We cannot assure you that we will be able to retain our staff or find adequate replacements in a timely manner. Competition for skilled personnel in the industry is intense, and we may need to increase our levels of employee compensation to attract and retain our staff. Even if we were to offer higher compensation and other benefits, there is no assurance that these individuals will continue to work for us or that we will successfully attract new talent. We may also require significant time to hire and train replacement personnel when skilled personnel terminate their employment with us. The loss of the services of our staff could adversely affect our business, results of operations and financial condition.

30. ***If we are unable to recover our dues from our customers, our results of operations and cash flows could be materially adversely affected.***

Our financial performance depends on our ability to successfully recover payment from our customers. We usually bill and collect on relatively short cycles. Our payment terms are 60 to 90 days from the date when the customer receives the invoice.

Our average debtor cycle was 55 days, 42 days, 66 days and 53 days for the three months ended June 30, 2024 and for the financial years ended 2024, 2023 and 2022, respectively.

We maintain allowances against receivables and unbilled services. Actual losses on customer balances could differ from those that we currently anticipate and, as a result, we might need to adjust our allowances. There is no guarantee that we will accurately assess the creditworthiness of our customers. Weak macroeconomic conditions and related turmoil in the global financial system could also result in financial difficulties, including limited access to the credit markets, insolvency, or bankruptcy for our customers, and, as a result, could cause customers to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance, or default on their payment obligations to us. Timely collection of customer balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our customer balances, and if this occurs, our results of operations and cash flows could be materially adversely affected. Moreover, in the event of delays in payment from our governmental and quasi-governmental customers, we may have difficulty collecting on receivables owed. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

**31. We are unable to trace certain corporate records and other documents and we cannot assure you that such forms or records will be available at all or any time in the future.**

Our Company is unable to trace certain corporate records and regulatory filings as given below:

Sr. No.	Particulars
1.	Minutes of the Board Meeting and Shareholders Meeting Prior to 2009
2.	Form 23B for appointment of Statutory Auditor under Companies Act, 1956 for the financial years 2002-2003 to FY 2007-2008 and for the financial year 2009-2010.
3.	Form MGT-14 for availing finance facility vide Board Resolution dated April 05, 2018
4.	Form MGT-14 for appointment of Mr. Keyur Girishchandra Shah as Managing Director vide Board Resolution dated March 08, 2018
5.	Form MR-1 for filing the return appointment of Mr. Keyur Girishchandra Shah as Managing Director vide Board Resolution dated March 08, 2018.

We have included details of such transfers in the Draft Red Herring Prospectus based on other corporate records such as the Share Certificates, Register of Members, Register of Share Transfers and Minutes of the Board Meetings (to the extent traceable).

We cannot assure you that the regulatory filings or corporate records which we have not been able to locate will be available in the future, or that the information gathered in this regard is correct, or that the regulatory filings were done in accordance with applicable law or at all or in timely manner. Additionally, while no notices, disputes or penalties have arisen or been imposed in connection with these corporate records and other documents as of the date of this Draft Red Herring Prospectus, we cannot assure you that no notices, dispute or penalties will arise or be imposed on us in this regard in the future.

**32. We have entered into certain related-party transactions, and we may continue to do so in the future.**

Our Company has entered into various transactions with our Directors, Promoter, Promoter Group and Group Companies. These transactions, inter-alia includes issue of shares, remuneration, sales, rent payments, purchase, commission payment to promoter for providing guarantee to bank etc. Our Company has entered into such transactions due to easy proximity and quick execution. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

For details of transactions, please refer to "Note 41 - Related Party Transactions" of the Auditor's Report under Section titled "Financial Information of the Company" beginning on page 238 of this Draft Red Herring Prospectus.


**33. *We may need to seek additional financing including additional indebtedness in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. While we have historically funded our capital expenditure primarily through internal accruals, bank credit facilities and cash flow from operations, we cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

As on September 30, 2024 the total fund based indebtedness of our Company is ₹ 2,030.55 Lakhs. We cannot assure you that our Company will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, 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 our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

We have not defaulted in our loans. However, any failure to service the indebtedness of our Company or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the section titled — “*Financial Indebtedness*” on page 286 of this Draft Red Herring Prospectus.

**34. *Intellectual property rights are important to our business. Failure to get approval for intellectual property rights may adversely affect our business. We may be unable to protect them from being infringed by others, including our current and / or future competitors/employees which may adversely affect our business value, financial condition and results of operations.***

Our Company has applied for registration of (i) our corporate logo “  ” with the Trademarks Registry; and (ii) 5 Designs under Class 13-99 with the Controller General of Patents, Designs and Trade Marks as on the date of this Draft Red Herring Prospectus.

For further details, see section titled “*Government and Other Approvals*” on page 296 of this Draft Red Herring Prospectus. However, there can be no assurance that said applications will be approved. If our Company is unable to obtain registration or if the corporate logo or the designs that we use is registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of the logo and designs. We may still continue to use the corporate logo but remain vulnerable to litigations, infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our corporate logo which may adversely affect our reputation and business and could require us to incur additional costs. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may also lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. Further, if we do not maintain our brand name and identity, which is a principal factor that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks.

Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any

damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad. Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty that we are not infringing any existing third-party intellectual property rights and we may also be susceptible to claims from third parties asserting infringement and other related claims in India and abroad. For further details pertaining to our intellectual property, see “Our Business” on page 167 of this Draft Red Herring Prospectus.

**35. We face risks associated with currency exchange rate fluctuations.**

Our Company import raw material from the foreign countries. The total cost of material consumed during the three months ended June 30, 2024 and financial years ended 2024, 2023, 2022 are as follows:

(₹ in lakhs)

Particulars	For the three months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cost of Material Consumed	1,415.67	6,170.11	5,122.61	3,798.69

The total cost of raw materials imported by our company, along with the percentage of the total material cost consumed during the three months ended June 30, 2024 and financial years ended 2024, 2023, 2022 are as follows:

Particulars	For the three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ lakhs)	Percentage of total Raw Material	Amount (₹ lakhs)	% Percentage of total Raw Material	Amount (₹ lakhs)	Percentage of total Raw Material	Amount (₹ lakhs)	Percentage of total Raw Material
Cost of raw material procured from domestic suppliers	493.07	31.33%	2,073.23	33.80%	1,377.90	26.84%	1,347.11	33.93%

The total revenue from operations during the three months ended June 30, 2024 and financial years ended 2024, 2023, 2022 are as follows:

(₹ in lakhs)

Particulars	For the three months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Revenue From Operations	2,762.88	10,848.08	9,036.21	6,505.71

Our company exports products and receives sales proceeds in foreign currency. The total exports, along with their percentage of the total revenue from operations during the three months ended June 30, 2024 and financial years ended 2024, 2023, 2022 are as follows:

Particulars	For the three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ lakhs)	Percentage of total revenue from operations	Amount (₹ lakhs)	Percentage of total revenue from operations	Amount (₹ lakhs)	Percentage of total revenue from operations	Amount (₹ lakhs)	Percentage of total revenue from operations
Exports	127.60	4.62	437.08	4.03	133.04	1.47	185.84	2.86

Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Any

adverse or unforeseen fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect our company's results of operations.

**36. *Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. While we have not had any such issues in the for the three months ended June 30, 2024 and for the financial years ended 2024, 2023 and 2022, we cannot assure you that there will be not be instances of fraud and misconduct by our employees which may go unnoticed for certain periods of time before corrective action is taken.

In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

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

Our Promoter i.e., Mr. Keyur Girishchandra Shah has 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 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. We may also not be successful in procuring alternate guarantees satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer section titled “*Financial Indebtedness*” on page no. 286 of this Draft Red Herring Prospectus.

**38. *Our insurance policies provide limited coverage and may not adequately insure us against certain operating hazards which may have an adverse effect on our business.***

Our insurance covers, amongst others, marine cargo open policy, business shield SME policy, commercial general liability policy, directors and officers liability insurance policy, group gratuity scheme of employees, group term plan, group accident guard policy and employees compensation insurance policy. Our insurance may not be adequate to completely cover any or all of our risks and liabilities. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses.

Our insurance cover on the total assets as of June 30, 2024 was ₹ 14,738.36 lakhs, representing 57.26%, of the total assets as of June 30, 2024. Our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. To the extent that we suffer loss or damage as a result of events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

**39. *Industry information included in this Draft Red Herring Prospectus has been derived from Ken Research Private Limited Report (“Ken Research Report”), which is prepared by Ken Research Private Limited and exclusively commissioned by our Company for the purposes of the Offer, and any reliance on information from the Ken Research Report for making an investment decision in the Offer is subject to inherent risks.***

Certain sections of this Draft Red Herring Prospectus include information that is based on or derived from the Ken Research Private Limited titled “India Transformer Bushings Market Outlook to 2034 dated October 03, 2024”, which is prepared by Ken Research Private Limited (“**Ken Research**”) and exclusively commissioned by our Company for the purposes of the Offer pursuant to an engagement letter dated October 04, 2024. Ken Research is not related to our Company, our Promoter, our Directors, Key Managerial Personnel, Senior Management and the Book Running Lead Manager. A copy of

the Ken Research was available on our Company's website at <https://yashhv.com> from the date of the Draft Red Herring Prospectus until the Bid/Offer Closing Date.

The Ken Research is subject to various limitations and based upon certain assumptions that are subjective in nature. The Ken Research uses certain selected methodologies for market sizing and forecasting and, accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. The Ken Research is not a recommendation to invest / disinvest in any company covered in the Ken Research. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the Ken Research before making any investment decision regarding the Offer. Also see "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data" and "Industry Overview" on pages 24 and 130, respectively.

**40. We do not own certain premises where we conduct our operations and the said premises have been taken on leave and licence or lease. Any termination of these agreements may require us to vacate such premises and adversely affect our business operations.**

We currently operate from the following premises which are not owned by us:

Sr. No.	Location of the property and area	Purpose	Document and Date	Licensor	Rent/ License Fee (in ₹) per month	License period	
						From	To
1.	6 <sup>th</sup> Floor, 601-602, Ozone Sarabhai Compound, Vikram Sarabhai Marg, Nr. Genda Circle, Wadiwadi Gorwa, Vadodara-390003 Gujarat.  Area: 138.98 Square Meters	Administrative Purpose	Leave and License Deed executed on June 21, 2023	Mr. Indra Tripathi	₹ 1.23 lakhs per month with 7% increase in license fees after end of every year.	June 17, 2023	June 16, 2028
2.	6 <sup>th</sup> Floor, 603, Ozone Sarabhai Compound, Vikram Sarabhai Marg, Nr. Genda Circle, Wadiwadi Gorwa, Vadodara-390003 Gujarat.  Area: 168.80 Sq Mts. Square Meters	Corporate Office	Leave and License Deed executed on April 29, 2024	Mr. Keyur Girishchandra Shah & Mrs. Twinkle Keyur Shah	₹ 1.75 per month with 7% increase in license fees after end of every year.	May 01, 2024	April 30, 2029

Periodic renewals of such lease may increase our costs, since it is subject to rent escalation. Any termination of the lease and/or rental deed in connection with this property or our failure to renew the same, and upon favourable conditions, in a timely manner or at all could adversely affect our operations.



If any such lease agreement under which we occupy the premises is not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our operation which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our office to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. For more details on properties taken on lease by our Company, please refer section titled “*Our Business*” beginning on page 167 of the Draft Red Herring Prospectus

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

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

**42. We have had certain inaccuracy in relation to regulatory filings to be made with the RoC, EPF, ESIC, TDS and TCS Returns and our company has made non-compliances of certain provision under applicable law.**

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which includes clerical errors in the annual returns filed by our Company with the ROC in past years, for instance:

Form	Discrepancy	Rectification
Form 20B	Date of transfer was not mentioned in Annual Return filed by the Company for FY 2007-2008	The non-compliance being not material, no rectification steps were required
Form MGT-7	The category of the shareholders as mentioned in the shareholding pattern attached in the E-Form MGT-7 filed for the Financial Year 2023-2024 is inaccurate.	The non-compliance being not material, no rectification steps were required

We have delayed in filing of and depositing the EPF with the concerned offices of the departments on few instances and have accordingly been subjected to penalty and interest for delayed deposit of tax. While no- show cause notice has been issued against our Company till date, in the event of any cognizance being taken by the concerned authorities in respect of above errors and delays in filings, actions may be taken against our Company and its directors, which could impact our business and financial performance. The below table summarizes such instances for the discrepancies and delay

**EPF**

Particulars	Number of Instances	Financial Year
Delay in filing of returns	14	2021-22
Delay in filing of returns	8	2022-23

**ESIC**

Particulars	Number of Instances	Financial Year
Delay in filing of returns	1	2021-22
Delay in filing of returns	1	2022-23

**TDS and TCS returns**

Particulars	Number of Instances	Financial Year
Delay in filing of returns	1	2021-22
Delay in filing of returns	2	2022-23

Although no show cause notice have 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. Also, with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

**43. Our Promoters and members of the Promoter Group have significant control 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 the Offer, our Promoter and Promoter Group will own [●] % of the Post-Issue Equity Share capital of the Company. As a result, our Promoter will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoter may take or block actions with respect to our business, which may conflict with our interests or the interests of the minority shareholders. By exercising their control, our Promoter could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot guarantee that our Promoter and Promoter Group will act in our interest while exercising their rights. For further details of Promoter' shareholding, please refer section titled "Capital Structure" beginning on Page 84 of Draft Red Herring Prospectus.

**44. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.**

Our ability to pay dividends in the future will depend on our earnings, financial condition, future cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. For the details of dividend declared by our company refer to the Section "Dividend Policy" on page 237 of the Draft Red Herring Prospectus. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future.

**45. The average cost of acquisition of Equity Shares by our Promoters, could be lower than the price determined at time of filing the Draft Red Herring Prospectus.**

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Price discovered through the book building process and decided by the Company in consultation with the Book Running Lead Manager. For further details regarding the average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares of our Promoter in our Company, please see section titled "Capital Structure" beginning on page 84 of this Draft Red Herring Prospectus.

**46. Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price.**

Our Company has issued Equity Shares in the last 12 months, which may be at a price lower than the Offer Price. Below are the details of the shares issued at a price which may be lower than the offer price –

Date of Allotment	Number of Equity Shares	Face value per equity share (₹)	Issue Price per equity share (₹)	Reason for Allotment	Benefits Accrued to our Company
April 24, 2024	43,06,215	10/-	NA	Bonus in the ratio of 7:5 i.e, 7 Equity Shares for every 5 Equity Shares held	Capitalization of Reserves & Surplus
July 22, 2024	73,82,083	5/-	NA	Bonus in the ratio of 1:2 i.e, 1 Equity Share for every 2 Equity Shares held	Capitalization of Reserves & Surplus

For further details, see section titled "Capital Structure – Notes to the Capital Structure" on page 84.

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

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

**48. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**49. *The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchange and securities markets elsewhere in the world.

**50. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

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

**51. *There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' 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 all stock exchanges in India, 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. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of 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.

**52. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Offer until the Offer receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Draft Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose

of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

**53. *The Offer price of our Equity Shares may not be indicative of the market price of our Equity shares after the offer.***

The Offer price of our equity Shares has been determined by book build method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuation after the offer and may decline below the offer price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer price. For further details you may refer section titled “*Basis for Offer Price*” beginning on the page 118 of Draft Red Herring Prospectus. Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

**54. *Sale of Equity Shares by our Promoter or other significant shareholder(s) in future may adversely affect the Trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**55. *The deployment of funds raised through this Offer shall not be subject to any Monitoring Agency.***

Since, the Offer size is less than ₹10,000 Lakhs excluding the size of offer for sale by selling shareholders, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Offer. The funds raised from this Offer, will be deployed as defined in the Objects. For further details, please refer to the section titled “*Objects of the Offer*” beginning on page 102 of this Draft Red Herring Prospectus. The fund requirement and deployment mentioned in the Objects of the Offer is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Offer proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Offer and prepare the statement for utilization of the proceeds of this Offer. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Offer without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable 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.

**56. *Our Company will not receive any proceeds from the Offer for Sale portion of the Offer.***

The Offer includes an Offer for Sale of up to 11,36,000 Equity Shares of face value of ₹ 5/- each, in the aggregate, by the Selling Shareholder. Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholder. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all the Offer related expenses will be exclusively borne by our Company. The expenses of the Selling Shareholder will, at the outset, be borne by our Company and each Selling Shareholder will reimburse our Company for such expenses incurred by our Company on behalf of such Selling Shareholder, in relation to the Offer, upon successful completion of the Offer in the manner as prescribed under applicable law and agreed amongst the Company and the Selling Shareholder. See section titled “*Objects of the Offer*” on page 102.

## **EXTERNAL RISKS**

**1. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), 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 falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign

currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

Furthermore, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the GoI, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 361. Our ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, cash flows, results of operations, financial condition and prospects.

**2. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details see section titled “*Key Industrial Regulations and Policies*” beginning on page no. 188 of this Draft Red Herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations either of which could have a material adverse effect on our business, financial condition and results of operations.

**3. *If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements.***

The regulatory and policy environment in which we operate is evolving and subject to change. Any change in Indian tax laws could have an effect on our operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For instance, the Taxation Laws (Amendment) Act, 2019, (“**Act**”) prescribes certain changes to the income tax rate applicable to companies in India, in order to promote growth and investment. According to the Act, an existing domestic company may opt to pay tax at 22% plus surcharge at 10% and cess at 4%, if it does not claim any incentive/deduction, with effect from financial year 2019-20. The effective tax rate for these companies comes to 25.17%.

Further, the Act stipulates that such companies would also not be subjected to minimum alternate tax. Furthermore, according to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits or exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies from 30% to 22% (exclusive of applicable health and education cess and surcharge). Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities or tribunals or courts would have an effect on our profitability. The Finance Act, 2020 (“**Finance Act**”), has, amongst other things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax (“**DDT**”) will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

The Finance Act, 2020 (“**Finance Act**”), has, amongst other things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, DDT will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely be subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017 and all subsequent changes and amendments thereto.

Further, the Government of India introduced the Finance Bill, 2024, in the Union Budget for Fiscal 2025. The Finance Bill, 2024 introduced various amendments to taxation laws in India. The Finance Bill has received assent from the President of India on February 15, 2024 and has been enacted as the Finance Act, 2024. As such, there is no certainty on the impact that the Finance Act, 2024 may have on our business and operations or on the industry in which we operate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business

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

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations. Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

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

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

**6. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**7. *Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the

contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any capital gain exceeding ₹1.25 lakhs realized on the sale of listed equity shares on a recognized stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 12.5% (plus applicable surcharge and cess). This beneficial rate is, inter alia, subject to payment of Securities Transaction Tax ("STT").

Further, any gain realized on the sale of equity shares in an Indian company held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the applicable rates (plus applicable surcharge and cess). Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

**9. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in Draft Red Herring Prospectus.***

As stated in the reports of the Auditor included in Draft Red Herring Prospectus under section titled "Restated Financial Statements" beginning on page 238 the financial statements included in Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in Draft Red Herring Prospectus should accordingly be limited.

**10. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in the Draft Red Herring Prospectus.***

While facts and other statistics in Draft Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the section titled "Our Industry" beginning on page 130 of Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt

levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

**12. *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.

**13. *Our ability to raise foreign capital may be constrained by Indian law***

As an Indian company, we are subject to certain controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all.

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

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

**15. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions due to which they may have difficulty in asserting their rights as a shareholder.***

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

**16. *The requirements of being a publicly listed company may strain our resource.***

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will, among other things, require us to file audited annual and unaudited quarterly/half-yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.



## SECTION IV: INTRODUCTION

### THE OFFER

The following is the summary of the Offer:

<b>PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>The Offer</b> <sup>(1)(2)</sup>	Upto 75,76,000 Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<i>consists of:</i>	
Fresh Issue	Upto 64,40,000 Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
Offer for Sale <sup>(3)</sup>	Upto 11,36,000 Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<i>which includes:</i>	
Market Makers Reservation Portion	Upto [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.

Net Offer to the Public	Upto [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<i>The Net Offer Comprises of:*</i>	
<b>A. QIB Portion</b> <sup>(4) (5)</sup>	Not more than [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<i>of which:</i>	
i) Anchor Investor Portion	Upto [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<i>of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion).	Upto [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
(b) Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<b>B. Non-Institutional Portion</b>	Not less than [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<b>C. Retail Portion</b>	Not less than [●] Equity Shares of face value of ₹ 5/- each, aggregating up to ₹ [●] Lakhs.
<b>Pre and Post – Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer.	2,21,46,249 Equity Shares of face value of ₹ 5/- each.
Equity Shares outstanding after the Offer.	[●] Equity Shares of face value ₹ 5/- each.
Use of Net Proceeds by our Company.	Please see the section titled “ <i>Objects of the Offer</i> ” on page 102 of this Draft Red Herring Prospectus.

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

**Notes:**

- 1) The Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Offer is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – Offer paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 06, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on August 30, 2024.
- 3) Our Board has taken on record the consent for the Offer for Sale of the Promoter Selling Shareholder pursuant to its resolution dated October 14, 2024. The Promoter Selling Shareholder have confirmed that the Offered Shares have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are accordingly eligible for being offered for sale in the Offer in compliance with the SEBI ICDR Regulations. The Selling Shareholder has authorized the inclusion of the Offered Shares in the Offer for Sale as follows-

Sr. No.	Name of the Promoter Selling Shareholder	Aggregate number of Equity Shares being offered in the Offer for Sale	Date of Consent Letter
1.	Mr. Keyur Girishchandra Shah	11,36,000	October 14,2024

For details of authorizations received for the Offer for Sale, see section titled “*Other Regulatory and Statutory Disclosures- Authority of the Offer*” beginning on page 302.

- 4) The SEBI ICDR Regulations permit the Offer of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, we have allocated the

*Net Offer i.e. not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Offer shall be available for allocation to Non-institutional bidders.*

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

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

*Allocation to Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations.*

*The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the SEBI ICDR Regulations*

*For further details, please refer section titled "Offer Structure", "Terms of the Offer" and "Offer Procedure" beginning on page 325, 317 and 329 of this Draft Red Herring Prospectus.*

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from Restated Financial Statements as at and for the three month period ended June 30, 2024 and as at and for the Financial Year ended on March 31, 2024, 2023, and 2022. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act, 2013 and the SEBI ICDR Regulations.

The summary financial information presented below should be read in conjunction with the sections and notes mentioned therein titled '*Other Financial Information*' and '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page 277 and 278, respectively of this Draft Red Herring Prospectus.

*[The remainder of this page has intentionally been left blank]*

**RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES**

(₹ in lakhs)

<b>Particulars</b>	<b>Note No.</b>	<b>As at 30-Jun-24</b>	<b>As at 31-Mar-24</b>	<b>As at 31-Mar-23</b>	<b>As at 31-Mar-22</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	738.21	307.59	307.59	307.59
Reserves and Surplus	2	3,787.99	3,905.86	2,900.62	2,143.06
		4,526.20	4,213.45	3,208.21	2,450.65
<b>Non Current Liabilities</b>					
Long Term Borrowings	3	556.88	495.53	424.11	382.54
Long -Term Provisions	4	63.4	51.30	45.95	27.63
Other Long Term Liabilities	5	10.54	8.94	2.47	2.07
		630.81	555.77	472.53	412.24
<b>Current Liabilities</b>					
Short-Term Borrowings	6	700.09	212.11	353.49	361.95
Trade Payables					
(a) Total Outstanding Dues Of Micro Enterprises And Small Enterprises	7	102.63	65.38	87.66	79.77
(b) Total Outstanding Dues Of Creditors Other Than Micro Enterprises And Small Enterprises	7	1,291.78	1,510.79	1,344.61	692.74
Other Current Liabilities	8	663.98	423.90	391.59	233.07
Short-Term Provisions	9	168.87	57.89	56.50	85.41
		2,927.35	2,270.07	2,233.85	1,452.94
<b>Total</b>		<b>8,084.36</b>	<b>7,039.29</b>	<b>5,914.59</b>	<b>4,315.83</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property Plant & Equipment & Intangible Asset					
(a) Property Plant & Equipment	10	1,792.54	1,817.89	1,663.92	1,438.99
(b) Intangible Asset	10	17.41	18.03	8.40	9.48
(c) Capital Work-in-Progress	10	974.72	494.8	-	19.36
(d) Intangible Asset under Development	10	84.3	13.50	-	-
Deferred Tax Asset (Net)	11	31.25	24.86	18.78	13.05
Long-Term Loans and Advances	12	327.89	402.58	90.00	-
Other non-current assets	13	76.16	376.16	136.78	27.74
		3,304.26	3,147.82	1,917.89	1,508.63
<b>Current Assets</b>					
Inventories	14	2,252.01	2,127.34	1,641.03	1,239.18
Trade Receivables	15	1,692.94	1,252.32	1,644.39	945.31
Cash and Cash Equivalents	16	454.75	263.88	600.97	548.84
Short-Term Loans and Advances	17	380.39	247.92	110.32	73.87
		4,780.10	3,891.47	3,996.71	2,807.20
<b>Total</b>		<b>8,084.36</b>	<b>7,039.29</b>	<b>5,914.59</b>	<b>4,315.83</b>

**RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS**

(₹ in lakhs)

Particulars		Note No.	Period Ended 30-Jun-24	Year Ended 31-Mar-24	Year Ended 31-Mar-23	Year Ended 31-Mar-22
I)	Revenue from operations	18	2,762.88	10,848.08	9,036.21	6,505.71
II)	Other Income	19	14.96	64.17	24.95	32.19
III)	<b>Total Income</b>		<b>2,777.84</b>	<b>10,912.25</b>	<b>9,061.15</b>	<b>6,537.90</b>
IV)	<b>Expenses</b>					
	Cost of Materials Consumed	20	1,415.67	6,170.11	5,122.61	3,798.69
	Restated Statement of Changes in inventory of Finished Goods & Work-In-Progress	21	105.19	-150.35	-80.80	-72.60
	Employee Benefits Expense	22	282.29	1,188.72	1,019.24	565.19
	Finance Cost	23	46.92	206.99	114.42	103.62
	Depreciation & Amortisation	24	59.69	222.54	202.82	138.05
	Other Expenses	25	437.25	1,624.52	1,059.44	763.28
	<b>Total Expenses</b>		<b>2,347.01</b>	<b>9,262.53</b>	<b>7,437.73</b>	<b>5,296.22</b>
V)	<b>Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>430.83</b>	<b>1,649.72</b>	<b>1,623.43</b>	<b>1,241.68</b>
VI)	Extraordinary Items		-	-	-	-
VII)	<b>Profit before tax (V- VI)</b>		<b>430.83</b>	<b>1,649.72</b>	<b>1,623.43</b>	<b>1,241.68</b>
VIII)	<b>Tax expense:</b>					
	Current Tax		124.46	449.53	486.93	378.10
	Deferred Tax		-6.38	-6.08	-5.73	-7.64
IX)	<b>Profit / (Loss) for the year after tax (VII-VIII)</b>		<b>312.75</b>	<b>1,206.27</b>	<b>1,142.22</b>	<b>871.23</b>
X)	<b>Earnings per equity share: *</b>					
	(1) Basic (Rs. per share)		1.41	5.45	5.16	3.93
	(2) Diluted (Rs. per share)		1.41	5.45	5.16	3.93
	*EPS for all years have been recasted after factoring in subdivision of face value of equity shares and bonus issue of equity shares to equity shareholders [Refer note-26]	1-44				

**RESTATED SUMMARY STATEMENT OF CASH FLOWS**

(₹ in lakhs)

Particulars		As at 30-Jun-24	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-22
A	Cash Flow From Operating Activities				
	Net Profit Before Tax	430.83	1,649.72	1,623.43	1,241.68
	Adjustments For :				
Add :	Depreciation	59.69	222.54	202.82	138.05
	Finance Charges	46.92	206.99	114.42	103.62
	Interest Income	-7.90	-19.28	-13.23	-12.92
	Asset Written off	-	14.15	0.04	-
Less :	(Gain)/ Loss on Sale of PPE	-6.61	-3.57	-	-
	Operating Profit Before Working Capital Changes	522.92	2,070.56	1,927.48	1,470.43
	Adjustments For :				
	(Increase) / Decrease Trade Receivables	-440.62	392.07	-699.08	-269.53
	(Increase)/Decrease in Inventories	-124.67	-486.31	-401.86	-169.72
	(Increase)/Decrease in Loans & Advances	-57.78	-450.18	-126.45	142.05
	(Increase)/Decrease in Non Current Assets	299.99	-239.37	-109.04	-11.91
	Increase (Decrease) in Other Long Term Liabilities	1.60	6.47	0.40	2.07
	Increase (Decrease) in Trade Payables	-181.75	143.89	659.76	40.05
	Increase (Decrease) in Other Current Liabilities	240.07	32.31	158.52	-5.42
	Increase (Decrease) in Provisions	52.98	3.21	26.35	-92.02
	Cash Generated from Operations	312.74	1,472.64	1,436.09	1,106.00
	Direct Taxes paid	-54.36	-446.00	-523.87	-378.10
	<b>Net Cash From Operating Activities</b>	<b>258.38</b>	<b>1,026.64</b>	<b>912.22</b>	<b>727.90</b>
B	Cash Flow From Investing Activities				
	(Purchase) of PPE	-587.07	-932.37	-407.34	-666.63
	Net Proceeds from Sale of PPE	9.25	27.34	-	-
	Bank balances not considered as Cash & Cash Equivalent (net)	-407.89	360.69	-17.31	-327.00
	Interest Income	7.90	19.28	13.23	12.92
	<b>Net Cash flow / use In Investing Activities</b>	<b>-977.81</b>	<b>-525.06</b>	<b>-411.43</b>	<b>-980.71</b>
C	Cash Flow From Financing Activities				
	Finance Charges	-46.92	-206.99	-114.42	-103.62
	Net Increase in Long Term Borrowings	61.35	71.42	41.57	250.13
	Increase / (Decrease) in Short Term Borrowings	487.98	-141.38	-8.46	253.72
	Dividend Paid & Tax Thereon	-	-201.03	-384.66	-116.98
	<b>Net Cash From / (In) Financing Activities</b>	<b>502.40</b>	<b>-477.97</b>	<b>-465.97</b>	<b>283.25</b>
D	<b>Net Increase In Cash And Cash Equivalents (A + B + C)</b>	<b>-217.02</b>	<b>23.61</b>	<b>34.81</b>	<b>30.44</b>
E	Opening Cash And Cash Equivalents	263.88	240.28	205.47	175.03
F	<b>Closing Cash And Cash Equivalents (D+E)</b>	<b>46.86</b>	<b>263.88</b>	<b>240.28</b>	<b>205.47</b>

## SECTION V: GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the Companies Act 1956 in the name and style of “Yash Highvoltage Insulators Private Limited” pursuant to certificate of incorporation dated June 06, 2002 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting, held on February 05, 2018, the name of our Company was changed to “Yash Highvoltage Private Limited” vide a fresh Certificate of Incorporation dated February 13, 2018 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on February 19, 2018, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Yash Highvoltage Private Limited” to “Yash Highvoltage Limited” vide a fresh certificate of incorporation dated March 07, 2018 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad, bearing CIN U40109GJ2002PLC040833.

For further details, please refer to the section titled ‘History and Certain Other Corporate Matters’ beginning on page 198 of this Draft Red Herring Prospectus.

### REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

The address and certain other details of our Registered Office and Corporate Office are as follows:

#### YASH HIGHVOLTAGE LIMITED

<b>Registered Office:</b> 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India Tel No: 91- 90990 96577 E-mail: Sales@yashhv.com Website: www.yashhv.com	<b>Corporate Office:</b> 603, 6th floor, Ozone Complex, Sarabhai Compound, Dr. Vikram Sarabhai Marg, Subhanpura, Vadodara-390023, Gujarat. Tel No: 91- 90990 96577 E-mail: Sales@yashhv.com Website: www.yashhv.com
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For details of the changes in our Registered and Corporate Office, see section titled “History and Certain Other Corporate Matters – Changes in the Registered Office” at page 198.

### COMPANY REGISTRATION NUMBER AND CORPORATE IDENTITY NUMBER

The registration number and corporate identity number of our Company are as follows:

**Corporate Registration Number:** 040833

**Corporate Identification Number:** U40109GJ2002PLC040833

### REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Gujarat Dadara and Nagar Haveli at Ahmedabad which is situated at the following address:

ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus  
Stop, Ahmedabad-380013, Gujarat, India.  
**Tel No:** +91- 079-27438531  
**Fax No:** +91- 079-27438371  
**Email ID:** roc.ahmedabad@mca.gov.in  
**Website:** www.mca.gov.in

### DESIGNATED STOCK EXCHANGE

SME Platform of BSE Limited i.e. “**BSE SME**”  
25th floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.  
**Website:** www.bsesme.com



## OUR BOARD OF DIRECTORS

The following table sets out details regarding our Board as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name	Designation	DIN	Address
1.	Mr. Keyur Girishchandra Shah	Chairman and Managing Director	01064190	3, Param Park, Behind Taksh Bunglows, Vasna Road, Vadodara Race Course, Vadodara - 390007, Gujarat, India.
2.	Mrs. Twinkle Keyur Shah	Non-Executive Director	03575362	3, Param Park, Behind Taksh Bunglows, Vasna Road, Vadodara Race Course, Vadodara - 390007, Gujarat, India.
3.	Mr. Suril Saumil Mehta	Independent Director	09804792	A-11, Shilp Bungalows, Vasna - Bhaili Road, Vasana, Bhayli, Vadodara – 391410, Gujarat, India.
4.	Mr. Hartmuth Udo Erich Fethke	Non-Executive Director	10697584	07639 Bad Klosterlausnitz, Marktstr 10, Germany
5.	Mr. Rabindra Nath Nayak	Independent Director	02658070	Flat No – M 55 C, Adani Brahma Samsara, Sector-60, Gurgaon-122001, Haryana, India.
6.	Mr. Sanjoy Kumar Goel	Independent Director	10659968	S1- 601, Octavia, Godrej Prime Shell Colony, Sahakar Nagar Road, Chembur, Mumbai - 400071, Maharashtra, India.

For further details of our Directors, please refer to the section titled ‘*Our Management*’ beginning on page 206 of this Draft Red Herring Prospectus.

### CHIEF FINANCIAL OFFICER

**Mr. Sumit Poddar**

**Yash Highvoltage Limited**

502, B-1 Mangalam Park,

Piplod, Surat - 395007

**Tel No.:** +91- 90990 86838

**E-mail:** sumit.poddar@yashhv.com

### COMPANY SECRETARY AND COMPLIANCE OFFICER

**Mr. Tushar Janardan Lakhmapurkar**

**Yash Highvoltage Limited**

A-4, Vastu Shilp Duplex,

Gotri Vasna Ring Road,

Opp. Ensign Project,

Vadodara-390021, Gujarat.

**Tel No.:** +91-74900 28892

**E-mail:** cs@yashhv.com

### Investor Grievances:

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer and/or the Book Running Lead Manager, in case of any pre-Offer or post-Offer 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 Offer related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Offer related queries and for redressal of complaints, investors may also write to the BRLM.

## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS OFFER OF OUR COMPANY

### BOOK RUNNING LEAD MANAGER OF THE OFFER



#### **INDORIENT FINANCIAL SERVICES LIMITED**

B/805, Rustomjee Central Park, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India.

**Tel No.:** +91-79772 12186

**E-mail:** compliance-ifsl@indorient.in

**Investor Grievance Email:** wecare@indorient.in

**Website:** www.indorient.in

**Contact Person:** Mr. Ivor Anil Misquith

**SEBI Registration No.:** INM000012661

**CIN:** U67190DL1993PLC052085

### REGISTRAR TO THE OFFER



#### **BIGSHARE SERVICES PRIVATE LIMITED**

S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India.

**Tel No.:** +91 – 22 – 6263 8200

**Fax No.** +91 – 22 – 6263 8299

**E-mail:** ipo@bigshareonline.com

**Investor Grievance Email:** investor@bigshareonline.com

**Website:** www.bigshareonline.com

**Contact Person:** Ganesh Shinde

**SEBI Registration No:** INR000001385

**CIN:** U99999MH1994PTC076534

### LEGAL ADVISOR TO THE OFFER



#### **STERLING LAW ASSOCIATES LLP**

B-601, Umarji House No-1, CTS No. 404A- 404B, Telli Gally, Opp. Masjid, Andheri-East, Mumbai- 400069, Maharashtra, India.

**Tel No.:** +91 91720 75003

**E-mail:** ajay.yadav@sterlingassociates.in

**Contact Person:** Mr. Ajay Yadav

### STATUTORY AND PEER REVIEW AUDITORS



#### **M/s. Shah Mehta & Bakshi**

Chartered Accountants

2nd Floor, Prassna House, Associated Society,

, Near. Akota Stadium, Akota,

Vadodara-390020, Gujarat, India

**Tel:** 0265-359-9941 **E-mail:** daxal@smb-ca.com

**Website:** https://smb-ca.com/

**Contact Person:** Mr. Daxal Pandya

**Firm Registration No:** 103824W

**Membership No:** 177345

**Peer Review Certificate No:** 014422

## UNDERWRITER TO THE OFFER

	<b>INDORIENT FINANCIAL SERVICES LIMITED</b> B/805, Rustomjee Central Park, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India. <b>Tel No.:</b> +91-79772 12186 <b>E-mail:</b> compliance-ifsl@indorient.in <b>Investor Grievance Email:</b> wecare@indorient.in <b>Website:</b> www.indorient.in <b>Contact Person:</b> Mr. Ivor Anil Misquith <b>SEBI Registration No.:</b> INM000012661 <b>CIN:</b> U67190DL1993PLC052085
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## MARKET MAKER TO THE OFFER

<b>Name</b>	[•]
<b>Registered Office Address</b>	
<b>Tel No.:</b>	
<b>E-mail:</b>	
<b>Website:</b>	
<b>Contact Person:</b>	
<b>SEBI Registration</b>	
<b>CIN:</b>	
<b>BSE Market Maker Registration No.</b>	

## BANKER TO OUR COMPANY

<b>Name</b>	Axis Bank Limited
<b>Address</b>	2 <sup>nd</sup> Floor, Vardhaman Complex, Opp. GEB, Race Course Circle, Vadodara – 390 007, Gujarat, India.
<b>Tel No.:</b>	M. 9800864502
<b>E-mail:</b>	<a href="mailto:Rajeev.dutta@axisbank.com">Rajeev.dutta@axisbank.com</a>
<b>Website:</b>	<a href="http://www.axisbank.com">http://www.axisbank.com</a>

## BANKERS TO THE OFFER/ PUBLIC OFFER BANK/ REFUND BANKER/ SPONSOR BANK

[•]

## DESIGNATED INTERMEDIARIES

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

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above mentioned SEBI link.

### *Eligible SCSBs as Sponsor Banks and mobile applications enabled for UPI Mechanism*

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 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may only apply through mobile applications using UPI handles or through SCSBs whose names appear on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and is also available on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> for SCSBs and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43> for applications or at such

other websites as may be prescribed by SEBI from time to time.

### ***Syndicate SCSB Branches***

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the ASBA Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at ASBA Specified Locations, refer to the above mentioned SEBI link.

### ***Registered Brokers***

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

### ***Registrar to the Offer and Share Transfer Agents***

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of SEBI i.e. (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>), respectively, as updated from time to time.

### ***Collecting Depository Participants***

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> from time to time.

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

Since, Indorient Financial Services Limited is the sole Book Running Lead Manager to this Offer, a statement of inter se allocation of responsibilities amongst Book Running Lead Manager is not applicable.

## **CREDIT RATING**

As this is an Offer of Equity Shares, there is no credit rating required for the Offer.

## **IPO GRADING**

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

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

1. Our Company has received written consent dated October 14, 2024 from the Statutory Auditors namely, M/s. Shah Mehta & Bakshi, Chartered Accountant to include their name as an “expert” as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations and as defined under Section 2 (38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements, dated October 14, 2024 and the Statement of Special Tax Benefits dated October 14, 2024, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.
2. Our Company has received a written consent dated August 10, 2024 from Trivedi Rajendrakumar Manubhai, an independent chartered engineer to include their name as required under the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered engineer in relation to the certificate dated August 10, 2024, certifying, inter alia, the details of the installed and production capacity of our current manufacturing facility.
3. Our Company has received a written consent dated October 14, 2024 from Mr. Chintan Kishorbhai Vaidya, an independent chartered engineer to include their name as required under the SEBI ICDR Regulations in this Draft Red

Herring Prospectus, and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered engineer in relation to cost assessment report dated October 14, 2024, certifying the estimated cost of setting up the Proposed Manufacturing Facility to be located at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat with respect to setting up a new factory to manufacture Resin Impregnated Paper/Resin Impregnated Synthetic transformer condenser graded bushings.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

#### **GREEN SHOE OPTION**

No green shoe option is contemplated under the Offer.

#### **DEBENTURE TRUSTEES**

This is an Offer of Equity Shares hence appointment of debenture trustees is not required.

#### **MONITORING AGENCY**

As per Regulation 262 (1) of the SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Offer size is below ₹10,000 Lakhs. Since the Offer size is below ₹10,000 Lakhs, our Company has not appointed any monitoring agency for this Offer. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Offer.

#### **APPRAISAL AGENCY**

The objects of the Offer and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

#### **TYPE OF OFFER**

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

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

The Draft Red Herring Prospectus is being filed with BSE Limited, 25th floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.

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

A copy of the Red Herring Prospectus/ Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC office situated at Registrar of Companies, Gujarat, Dadra & Nagar Haveli at RoC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

#### **Book Building Process**

Book Building, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Vadodara Edition of Regional newspaper [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office and Corporate Office is situated) at least two working days prior to the Bid/ Offer Opening date. The Offer Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Offer Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Indorient Financial Services Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager; The Registrar to the Offer and;
- The Designated Intermediaries and Sponsor bank.

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

The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Offer. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. Additionally, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, Non-Institutional Bidders with an application size of up to ₹5 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Member, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details in this regards, specific attention are invited to the section titled “*Offer Procedure*” beginning on page 329 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section titled “*Offer Procedure*” on page 329 of this Draft Red Herring Prospectus

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.67%
2500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Offer Procedure” on page 291 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form

## BID/OFFER PROGRAMME

An indicative timetable in respect of the Offer is set out below:

EVENT	INDICATIVE DATE
Bid/Offer Opening Date <sup>(1)</sup>	[•]
Bid/Offer Closing Date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment/ Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Offer Closing Date, as

is typically experienced in public Offer, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Offer Closing Date. Allocation to Retail Individual Applicants, in this Offer will be on a proportionate basis

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

## UNDERWRITING AGREEMENT

Our Company and the Book Running Lead Manager to the Offer hereby confirm that, this Offer is 100 % underwritten by the Underwriter.

Pursuant to the terms of the Underwriting Agreement dated October 14, 2024, obligations of the Underwriter is subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of Equity Shares being offered through this Offer:

Details of the Underwriter	No. of shares Underwritten*	Amount Underwritten (₹ in Lakhs)	% of the Total Offer Size Underwritten
<b>INDORIENT FINANCIAL SERVICES LIMITED</b> B/805, Rustomjee Central Park, Andheri Kurla Road, Chakala, Mumbai – 400093, Maharashtra, India. <b>Tel No.:</b> +91-79772 12186 <b>E-mail:</b> compliance-ifsl@indorient.in <b>Investor Grievance Email:</b> wecare@indorient.in <b>Website:</b> www.indorient.in <b>Contact Person:</b> Mr. Ivor Anil Misquith <b>SEBI Registration No.:</b> INM000012661 <b>CIN:</b> U67190DL1993PLC052085	75,76,000	[●]	100

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

As per Regulation 260 of SEBI ICDR Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Offer out of its own account.

In the opinion of the Board, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their underwriting obligations in full.

## Changes in Auditors during last 3 Years

M/s. Shah Mehta & Bakshi are appointed as Peer Review Auditors of our Company in compliance with Regulation 229 (3) (b) of Chapter IX of SEBI ICDR Regulations and hold a valid peer review certificate no. 014422 dated July 21, 2022 issued by the “Peer Review Board” of the ICAI.

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No.	Particulars of Auditor	Date of change	Reason
1.	M/s. SHAH MEHTA & BAKSHI Chartered Accountants	July 08, 2024	Appointment as the Statutory Auditors of the Company for



	2nd Floor, Prassna House, Associated Society, Near. Akota Stadium, Akota, Vadodara-390020, Gujarat, India. <b>Tel:</b> 0265-359-9941 <b>E-mail:</b> daxal@smb-ca.com <b>Website:</b> https://smb-ca.com/ <b>Contact Person:</b> Mr. Daxal Pandya <b>Firm Registration No:</b> 103824W <b>Membership No:</b> 177345 <b>Peer Review Certificate No:</b> 014422		period of 5 years
2.	<b>M/s. NARESH &amp; CO.</b> Chartered Accountants City Enclave, Near Baroda High School, Opp. Polo Ground Vadodara-390001 Gujarat <b>Tel:</b> +91-265 2423386/+91-74784 23386 <b>E-mail:</b> <a href="mailto:consult@nareshandco.com">consult@nareshandco.com</a> <b>Website:</b> NA <b>Contact Person:</b> Mr. Harin Parikh <b>Firm Registration No:</b> 106928W <b>Membership No:</b> 107606	July 08, 2024	Expiry of term of appointment

### WITHDRAWAL OF THE OFFER

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

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

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

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the filing of Red Herring Prospectus/ Prospectus with RoC.

### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company has entered into Market Making Agreement dated [●], with the Book Running Lead Manager and Market Maker to fulfill the obligations of Market Making.

<b>Name</b>	[●]
<b>Registered Office Address</b>	
<b>Tel No.:</b>	
<b>Fax No.:</b>	
<b>E-mail:</b>	
<b>Website:</b>	
<b>Contact Person:</b>	
<b>SEBI Registration</b>	
<b>CIN:</b>	
<b>BSE Market Maker Registration No.</b>	

**Market Maker Registration No. (SME Platform of BSE – BSE SME):** [●]

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

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

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

- (i) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- (ii) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE SME (SME platform of BSE) and SEBI from time to time.
- (iii) The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- (iv) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the BSE SME from time to time).
- (v) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing 2 way quotes.
- (vi) 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.
- (vii) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- (viii) There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- (ix) 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.
- (x) The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- (xi) 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.
- (xii) The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI ICDR Regulations, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 A.M. to 5.00 P.M. on working days.
- (xiii) **Risk containment measures and monitoring for Market Makers:** BSE SME will have all margins, which are applicable on 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.

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

(xv) **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

(xvi) 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 Offer size and as follows:

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

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

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

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

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.

## SECTION VI: CAPITAL STRUCTURE

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

Sr. No	Particulars	Aggregate value at face value (₹)	Aggregate value at Offer Price (₹)
Amount (₹ in lakhs, except share data)			
<b>A.</b>	<b>AUTHORIZED SHARE CAPITAL<sup>(1)</sup></b>		
	4,00,00,000 Equity Shares having face value of ₹ 5/- each	2,000	-
	<b>Total</b>	<b>2,000</b>	
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER</b>		
	2,21,46,249 Equity Shares having face value of ₹ 5/- each	1107.31	-
	<b>Total</b>	<b>1107.31</b>	
<b>C.</b>	<b>PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Offer of up to 75,76,000 Equity Shares having Face Value of ₹ 5/- each at a Premium of ₹ [●] per share <sup>(2)</sup>	[●]	[●]
	<i>Of Which:</i>		
	Fresh Issue up to 64,40,000 Equity Shares having Face Value of ₹ 5/- each <sup>(2)</sup>		
	Offer for Sale of up to 11,36,000 Equity Shares of face value of ₹ 5/- each by the Promoter Selling Shareholder <sup>(2)(3)</sup>		
	<i>Consisting:</i>		
<b>D.</b>	<b>Reservation for Market Maker –</b> [●] Equity Shares reserved as Market Maker Reservation Portion at a price of ₹ [●] per Equity Share	[●]	[●]
<b>E.</b>	<b>Net Offer to the Public –</b> [●] Equity Shares at a price of ₹ [●] per Equity Share	[●]	[●]
	<i>Of the Net Offer to the Public:</i> <sup>(4)</sup>		
	At least [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. Of which shall be allocated to mutual funds.	[●]	[●]
<b>F.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER</b>		
	[●] Equity Shares of face value of ₹ 5/- each (assuming full subscription in the Offer)		[●]
<b>G.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer (as on date of this Draft Red Herring Prospectus) <sup>(5)</sup>	575.90	
	After the Offer		[●]

\*To be updated upon finalization of the Offer Price.

- (1) For details in relation to the changes in the authorised share capital of our Company, please refer the section titled 'History and Certain Other Corporate Matters – Amendments to the Memorandum of Association' beginning on page 198 of this Draft Red Herring Prospectus.
- (2) The Offer has been authorised by our Board vide a resolution passed at its meeting held on August 06, 2024 and by the shareholders of our Company vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM held on August 30, 2024.
- (3) Promoter Selling Shareholder confirms that their portion of the Offered Shares have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI and are eligible in accordance with the SEBI ICDR Regulations. Promoter Selling Shareholder confirms compliance with and will comply with the

conditions of the SEBI ICDR Regulations, to the extent applicable. For details of the authorization of the Promoter Selling Shareholder in relation to his Offered Shares, see section titled “The Offer” on page 65

- (4) For detailed information on the Net Offer and its allocation various categories, please refer the section titled “The Offer” beginning on page 65 of this Draft Red Herring Prospectus.
- (5) Amount is Unaudited

## Class of the Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 5/- each. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

## NOTES TO CAPITAL STRUCTURE

### 1. Details of changes in authorised share capital:

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Particulars of change		Date of Shareholders Meeting	AGM/EGM
From	To		
The authorized share capital of our Company on incorporation comprised of ₹ 10,00,000/-consisting of 1,00,000 Equity Shares of ₹ 10/- each.		On Incorporation	—
₹ 10,00,000/- consisting of 1,00,000 Equity Shares of ₹ 10/- each.	₹ 25,00,000/- consisting of 2,50,000 Equity Shares of ₹ 10/- each.	July 08, 2010	EGM
₹ 25,00,000/- consisting of 2,50,000 Equity Shares of ₹ 10/- each	₹ 50,00,000/- consisting of 5,00,000 Equity Shares of ₹ 10/- each	July 01, 2011	EGM
₹ 50,00,000/- consisting of 5,00,000 Equity Shares of ₹ 10/- each	₹ 3,50,00,000/- consisting of 35,00,000 Equity Shares of ₹ 10/- each	January 22, 2018	EGM
₹ 3,50,00,000/- consisting of 35,00,000 Equity Shares of ₹ 10/- each	₹ 7,50,00,000/- consisting of 75,00,000 Equity Shares of ₹ 10/- each	April 19, 2024	EGM
₹ 7,50,00,000/- consisting of 75,00,000 Equity Shares of ₹ 10/- each	₹ 20,00,00,000/- consisting of 2,00,00,000 Equity Shares of ₹ 10/- each	July 08, 2024	AGM
<b>Sub-division of Equity Share from the face value of ₹ 10/- per Equity Share to face value of ₹5/- per Equity Share</b>		July 08, 2024	AGM
₹ 20,00,00,000/- consisting of 2,00,00,000 Equity Shares of ₹ 10/- each	₹ 20,00,00,000/- consisting of 4,00,00,000 Equity Shares of ₹ 5/- each		

### 2. History of Share capital of our Company

#### (a) Equity Shares capital

The history of the Equity Share capital of our Company is set forth in the table below:

Notes No.	Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share Capital (₹)
1.	Incorporation	20,000	10	10	2,00,000	Cash	Subscription of MOA	20,000	2,00,000
2.	March 26, 2004	63,000	10	10	6,30,000	Cash	Further Issue	83,000	8,30,000
3.	March 25, 2008	17,000	10	10	1,70,000	Cash	Further Issue	1,00,000	10,00,000
4.	December 20, 2010	82,500	10	10	8,25,000	Cash	Preferential Allotment	1,82,500	18,25,000
5.	March 06, 2017	71,430	10	70	50,00,100	Cash	Preferential Allotment	2,53,930	25,39,300
6.	February 13, 2018	20,31,440	10	NA	NA	NA	Bonus Issue	22,85,370	2,28,53,700
7.	March 26, 2019	7,90,498	10	77.43	6,12,09,000	Cash	Preferential Allotment	30,75,868	3,07,58,680
8.	April 24, 2024	43,06,215	10	NA	NA	NA	Bonus Issue	73,82,083	7,38,20,830
Pursuant to a resolution of our Board dated June 29, 2024 and shareholders' dated July 08, 2024, equity shares of face value of ₹ 10/- each of our Company were sub-divided into 2 equity shares of face value of ₹ 5/- each. Consequently, the issued and subscribed share capital of our Company comprising 73,82,083 equity shares of face value of ₹ 10/- each was sub-divided into 1,47,64,166 equity shares of face value of ₹ 5/- each									
9.	July 22, 2024	73,82,083	5	NA	NA	NA	Bonus Issue	2,21,46,249	11,07,31,245

#### **Notes to Capital Structure:**

- (1) Initial subscribers to Memorandum of Association subscribed 20,000 Equity Shares at par as per the details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Ramachandran Damodaran	10,000
2.	Nitin Sadashiv Aryumune	10,000
	<b>Total</b>	<b>20,000</b>

- (2) Further Issue of 63,000 Equity Shares of face value of ₹10/- each issued at par as per the details given below:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Ramachandran Damodaran	10,000
2.	Syama Ramachandran	10,000
3.	Sushmita Basu	5,000
4.	Kurian Varghese	3,000
5.	Ramesh Anantharaman Iyer	15,000
6.	B. M. Agarwal	20,000
	<b>Total</b>	<b>63,000</b>

- (3) Further Issue of 17,000 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Bhavin Girishbhai Shah	17,000
	<b>Total</b>	<b>17,000</b>

- (4) Preferential Allotment of 82,500 Equity Shares of face value of ₹ 10/- each issued at par as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Transpower Technologies Private Limited	82,500
	<b>Total</b>	<b>82,500</b>

- (5) Preferential Allotment of 71,430 Equity Shares of face value of ₹ 10/- each issued at premium of ₹ 60/- each per as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	Keyur Girishchandra Shah	71,430
	<b>Total</b>	<b>71,430</b>

- (6) Bonus allotment of 20,31,440 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 8 Equity Shares for every 1 Equity Share held by capitalizing ₹ 2,03,14,400 out of the free reserves of our Company and pursuant to the approvals received from shareholders of our Company vide resolution dated January 22, 2018. The details of the allotment are as follows:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Keyur Girishchandra Shah	19,51,440
2.	Twinkle Keyur Shah	80,000
	<b>Total</b>	<b>20,31,440</b>

- (7) Preferential Allotment of 7,90,498 Equity Shares of face value of ₹ 10/- each issued at a premium of ₹ 67.43/- each as per the details given below:

Sr. No.	Name of allottee	No. of Equity Shares allotted
1.	MGC Moser-Glaser AG	7,90,498
	<b>Total</b>	<b>7,90,498</b>

- (8) Bonus allotment of 43,06,215 Equity Shares by way of bonus issue to the existing shareholders in the ratio of 7 Equity Shares for every 5 Equity Share held by capitalizing ₹ 4,30,62,150 out of the free reserves of our Company and pursuant to the approvals received from shareholders of our Company vide resolution dated April 19, 2024. The details of the allotment are as follows:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Keyur Girishchandra Shah	41,29,815
2.	Twinkle Keyur Shah	1,26,000
3.	Bhavin Girishbhai Shah	7,000
4.	Hirna Bhavin Shah	7,000
5.	Ria Bhavin Shah	10,500
6.	Sia Bhavin Shah	10,500
7.	Nirav Prakash Patel	7,000
8.	Gautam Rajubhai Nikam	7,000
9.	Rashmi Prajapati	1,400
	<b>Total</b>	<b>43,06,215</b>

- (9) Bonus allotment of 73,82,083 Equity Shares of face value of ₹ 5/- each by way of bonus issue to the existing shareholders in the ratio of 1 Equity Shares for every 2 Equity Share held by capitalizing ₹ 3,69,10,415/- out of

the free reserves of our Company and pursuant to the approvals received from shareholders of our Company vide resolution dated July 08, 2024. The details of the allotment are as follows:

Sr. No.	Name of allottees	No. of Equity Shares allotted
1.	Keyur Girishchandra Shah	54,60,142
2.	Twinkle Keyur Shah	2,16,000
3.	Bhavin Girishbhai Shah	12,000
4.	Hirna Bhavin Shah	12,000
5.	Ria Bhavin Shah	18,000
6.	Sia Bhavin Shah	18,000
7.	Nirav Prakash Patel	12,000
8.	Gautam Rajubhai Nikam	12,000
9.	Rashmi Prajapati	2,400
10.	Negen Undiscovered Value Fund	2,76,926
11.	Visionary Value Fund	46,154
12.	Odyssey Corporation Limited	1,38,460
13.	Reina R Jaisinghani	1,84,615
14.	Ajay T Jaisinghani	46,154
15.	Neil Madan Bahal	92,304
16.	Navin Mahavirprasad Dalmia	1,84,617
17.	Kunjil Lalitkumar Patel	3,69,233
18.	Choksi Sonam Arpit	9,231
19.	Rishi Shah	1,00,000
20.	Zea Keyur Shah	1,00,000
21.	Kanubhai Shakarabhai Patel	5,078
22.	Vanlila K Patel	46,154
23.	Hriday Parikh	5,000
24.	Harin Nareshbhai Parikh	3,000
25.	Manasee Harin Parikh	2,000
26.	Suril Saumil Mehta	10,615
	<b>Total</b>	<b>73,82,083</b>

**(b) Preference share capital history of our Company**

Our Company does not have any outstanding preference shares as on the date of this Draft Red Herring Prospectus.

**(c) Except for issuance of Bonus shares as set out below, our Company has not issued any Equity Shares for consideration other than cash.**

Date of Allotment	Number of Equity Shares	Face value per equity share (₹)	Issue Price per equity share (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of the Allottees	No. of shares Allotted
February 13, 2018	20,31,440	10/-	NA	Bonus in the ratio of 8:1 i.e., 8 Equity Share for every 1 Equity Shares held	Capitalization of Reserves & Surplus	Refer note 2(a)(6) of the Capital Structure above.	



April 24, 2024	43,06,215	10/-	NA	Bonus in the ratio of 7:5 i.e, 7 Equity Shares for every 5 Equity Shares held	Capitalization of Reserves & Surplus	Refer note 2(a)(8) of the Capital Structure above.
July 22, 2024	73,82,083	5/-	NA	Bonus in the ratio of 1:2 i.e, 1 Equity Share for every 2 Equity Shares held	Capitalization of Reserves & Surplus	Refer note 2(a)(9) of the Capital Structure above.

(d) Our Company has not re-valued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

### 3. Issue of Equity Shares at a price lower than the offer Price in the last 1 (one) year

Except as mentioned above in under point number 2(a) of 'Notes to Capital Structure', we have not issued any Equity Shares at price below Offer Price within last 1 year from the date of this Draft Red Herring Prospectus.

### 4. Issue of Equity Shares having superior voting rights

Our Company has not issued any Equity Shares having superior voting rights compared to all other Equity Shares issued, as on the date of this Draft Red Herring Prospectus.

### 5. Issue of Equity Shares pursuant to schemes of arrangement

No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-240 of the Companies Act, 2013 as on the date of this Draft Red Herring Prospectus.

### 6. Build-up of Promoter's shareholding, Promoter's contribution and lock-in

#### (i) Build-up of Promoter's shareholding

As on the date of this Draft Red Herring Prospectus, our Promoter hold an aggregate of 16,302,595 Equity Shares, aggregating to 73.61% of the issued, subscribed and paid-up Equity Share capital of our Company. For further details, see section titled "Our Promoter and Promoter Group" on page 227 of this Draft Red Herring Prospectus.:

Sl. No.	Nature of transaction	Nature of consideration	Date of allotment/ Transfer	No. of equity shares allotted/ transferred	No. of cumulative equity shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Percentage of the pre-Offer capital (%) #	Percentage of the post-Offer capital (%)
<b>Mr. Keyur Girishchandra Shah</b>									
1.	Transfer	Cash	March 25, 2008	10,000	10,000	10	10	0.09	[•]
2.	Transfer	Cash	March 31, 2008	5,000	15,000	10	10	0.05	[•]
3.	Transfer	Cash	February 09, 2012	10,000	25,000	10	10	0.09	[•]
4.	Transfer	Cash	February 09, 2012	15,000	40,000	10	10	0.14	[•]
5.	Transfer	Cash	February 09, 2012	87,500	127,500	10	10	0.79	[•]
6.	Allotment	Cash	March 06, 2017	71,430	1,98,930	10	70	0.65	[•]
7.	Transfer	Cash	August 06, 2017	20,000	2,18,930	10	276.69	0.18	[•]
8.	Transfer	Gift	August 06, 2017	15,000	2,33,930	10	NA	0.14	[•]

9.	Transfer	Gift	August 06, 2017	10,000	2,43,930	10	NA	0.09	[●]
10.	Allotment	Bonus	February 13, 2018	19,51,440	21,95,370	10	NA	17.62	[●]
11.	Transfer	Gift	February 15, 2018	(5,000)	21,90,370	10	NA	(0.05)	[●]
12.	Transfer	Gift	February 15, 2018	(5,000)	21,85,370	10	NA	(0.05)	[●]
13.	Transfer	Gift	February 15, 2018	(7,500)	21,77,870	10	NA	(0.07)	[●]
14.	Transfer	Gift	February 15, 2018	(7,500)	21,70,370	10	NA	(0.07)	[●]
15.	Transfer	Gift	February 15, 2018	(5,000)	21,65,370	10	NA	(0.05)	[●]
16.	Transfer	Gift	February 15, 2018	(5,000)	21,60,370	10	NA	(0.05)	[●]
17.	Transfer	Cash	March 08, 2018	(10,000)	21,50,370	10	20	(0.09)	[●]
18.	Transfer	Gift	April 05, 2018	(1,000)	21,49,370	10	Nil	(0.01)	[●]
19.	Transfer	Cash	March 19, 2020	10,000	21,59,370	10	50	0.09	[●]
20.	Transfer	Cash	April 16, 2024	7,90,498	29,49,868	10	218.26	7.14	[●]
21.	Allotment	Bonus	April 24, 2024	41,29,815	70,79,683	10	Nil	37.30	[●]
22.	Transfer	Cash	May 16, 2024	(2,76,926)	68,02,757	10	216.67	(2.50)	[●]
23.	Transfer	Cash	May 16, 2024	(46,154)	67,56,603	10	216.67	(0.42)	[●]
24.	Transfer	Cash	May 16, 2024	(1,38,460)	66,18,143	10	216.67	(1.25)	[●]
25.	Transfer	Cash	May 16, 2024	(46,154)	65,71,989	10	216.67	(0.42)	[●]
26.	Transfer	Cash	May 16, 2024	(1,84,615)	63,87,374	10	216.67	(1.67)	[●]
27.	Transfer	Cash	May 21, 2024	(92,304)	62,95,070	10	216.67	(0.83)	[●]
28.	Transfer	Cash	May 22, 2024	(1,84,615)	61,10,455	10	216.67	(1.67)	[●]
29.	Transfer	Cash	May 27, 2024	(2)	61,10,453	10	216.67	Negligible	[●]
30.	Transfer	Cash	May 28, 2024	(3,69,233)	57,41,220	10	216.67	(3.33)	[●]
31.	Transfer	Cash	May 28, 2024	(9,231)	57,31,989	10	216.66	(0.08)	[●]
32.	Transfer	Gift	June 10, 2024	(1,00,000)	56,31,989	10	NA	(0.90)	[●]
33.	Transfer	Gift	June 11, 2024	(1,00,000)	55,31,989	10	NA	(0.90)	[●]
34.	Transfer	Cash	June 20, 2024	(5,078)	55,26,911	10	216.68	(0.05)	[●]
35.	Transfer	Cash	June 20, 2024	(46,154)	54,80,757	10	216.67	(0.42)	[●]
36.	Transfer	Cash	July 04, 2024	(3,000)	54,77,757	10	216.67	(0.03)	[●]
37.	Transfer	Cash	July 04, 2024	(5,000)	54,72,757	10	216.67	(0.05)	[●]
38.	Transfer	Cash	July 04, 2024	(2,000)	54,70,757	10	216.67	(0.02)	[●]

39.	Transfer	Cash	July 04, 2024	(10,615)	54,60,142	10	216.67	(0.10)	[●]
40.	Subdivision <sup>^</sup>	NA	July 08, 2024	NA	1,09,20,284	5	NA	NA	[●]
41.	Allotment	Bonus	July 22, 2024	54,60,142	1,63,80,426	5	NA	24.65	[●]
42.	Transfer	Cash	September 17, 2024	(8,333)	1,63,72,093	5	120.00	(0.04)	[●]
43.	Transfer	Cash	September 17, 2024	(12,500)	1,63,59,593	5	120.00	(0.06)	[●]
44.	Transfer	Cash	September 17, 2024	(12,500)	1,63,47,093	5	120.00	(0.06)	[●]
45.	Transfer	Cash	September 17, 2024	(1,666)	1,63,45,427	5	120.05	(0.01)	[●]
46.	Transfer	Cash	September 17, 2024	(9,166)	1,63,36,261	5	120.01	(0.04)	[●]
47.	Transfer	Cash	September 17, 2024	(16,666)	1,63,19,595	5	120.00	(0.08)	[●]
48.	Transfer	Cash	September 23, 2024	(17,000)	1,63,02,595	5	120.00	(0.08)	[●]

*#The percentage of Pre-Offer capital has been calculated after taking the effect of sub-division of equity shares of face value of ₹10/- each into equity shares of face value of ₹5/- each on the cumulative equity shares held.*

*^ Pursuant to resolutions passed by the Board of Directors on June 29, 2024 and Shareholders on July 08, 2024, the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 73,82,083 equity shares of face value of ₹ 10/- each to 1,47,64,166 equity shares of face value of ₹ 5/- each. Accordingly, 54,60,142 equity shares of face value of ₹10/- each held by Mr. Keyur Girishchandra Shah were sub-divided into 1,09,20,284 Equity Shares of face value of ₹5/- each.*

Our Promoter has confirmed to our Company and the Book Running Lead Manager that the Equity Shares held by our Promoter have been financed from their owned funds and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

**(ii) Details of Promoters' contribution locked in for 3 years:**

Pursuant to Regulation 236 and Regulation 238 of SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter shall be considered as minimum Promoter's contribution ("**Minimum Promoters' Contribution**") and shall be locked-in for a period of 3 years from the date of allotment of Equity shares issued pursuant to this Offer. Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment. The lock-in of the Minimum Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Designated Stock Exchange before listing of the Equity Shares.

The Equity Shares of our Company held by our Promoter and the Promoter Group are in dematerialized form. Our Promoter has consented to the inclusion of such number of the Equity Shares held by him, in aggregate, as may constitute 20% of the post-Offer capital of our Company as Promoters' contribution and the Equity Shares proposed to form part of Promoters' contribution subject to lock-in shall not be disposed of/ sold/ transferred/ pledged or otherwise disposed of in any manner by our Promoter during the period starting from the date of filing this Draft Red Herring Prospectus with the Stock Exchange until the date of commencement of the lock-in period.

Accordingly, Equity Shares aggregating to 20% of the post-Offer capital of our Company, held by our Promoter shall be locked-in for a period of 3 years from the date of Allotment in the Offer as follows:

Name of the Promoter	Number of Equity Shares locked-in	Date of allotment of Equity Shares / Date of Transfer of Equity Shares	Nature of allotment	Face Value per Equity Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	% of pre- Offer shareholding	% of post- Offer shareholding	Date up to which Equity Shares are subject to lock-in
Mr. Keyur Girishchandra Shah	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as promoter' under the SEBI ICDR Regulations.

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, our Company hereby confirms that the Equity Shares locked-in do not consist of:

- Equity Shares acquired during the preceding 3 years from the date of filing this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus shares issued out of revaluations reserves or unrealized profits of our Company or bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter's Contribution;
- Equity Shares acquired during the preceding 1 year from the date of filing this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm;
- Equity Shares held by our Promoter and offered for minimum Promoter' contribution which are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of their subscription in the Promoter' Contribution subject to lock-in.

**(iii) Details of Equity Shares locked-in for 1 year**

In terms of Regulation 238 (b) and 239 of the SEBI ICDR Regulations other than the Equity Shares held by our Promoter for the Minimum Promoter's Contribution, which will be locked-in as minimum Promoter' contribution for 3 years, all the pre-Offer Equity Shares shall be subject to lock-in for a period of 1 year from the date of Allotment.

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

**a) Inscription or recording of non-transferability:**

In terms of Regulation 241 of the SEBI ICDR Regulations, our Company shall ensure that the lock in is recorded by the Depositories for pre-IPO Equity Shares which are in dematerialized form.

**b) Pledge of Locked-in Equity Shares:**

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

- If the Equity Shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the Issuer for the purpose of financing one or more of the objects of the Offer and pledge of Equity Shares is one of the terms of sanction of the loan;
- If the Equity Shares are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

**c) Transfer of Locked-in Equity Shares:**

In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter which are locked-in as per the provisions of Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst persons/ members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI SAST Regulations, as applicable.

In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than our Promoter and Promoter Group prior to the Offer may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI SAST Regulations, as applicable.

## 7. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company as per Regulation 31 of SEBI Listing Regulations:

Summary of Shareholding Pattern as on date of this Draft Red Herring Prospectus:

Category	Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	No. of Partly paid-up Equity Shares held	No. of shares underlying Depository Receipt	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights held in each class of securities			No. of shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) As a % of (A+B+C)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of Equity Shares held in dematerialized form
								Class: Equity Shares	No. of Voting Rights	Total			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV) + (V) + (VI)	(VIII)	(IX)			(X)	(XI) = (VII)+(X)	(XII)		(XIII)		(XIV)
(A)	Promoter and Promoter Group	6	1,76,03,595	---	---	1,76,03,595	79.48	1,76,03,595	1,76,03,595	79.48	---	---	---	---	---	---	1,76,03,595
(B)	Public	27	45,42,654	---	---	45,42,654	20.52	45,42,654	45,42,654	20.52	---	---	---	---	---	---	45,42,654
(C)	Non Promoter-Non Public	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
(C1)	Shares underlying DRs	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
(C2)	Shares held by Employee Trusts	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
	<b>Total</b>	<b>33</b>	<b>2,21,46,249</b>	---	---	<b>2,21,46,249</b>	<b>100</b>	<b>2,21,46,249</b>	<b>2,21,46,249</b>	<b>100</b>	--	--	---	---	---	---	<b>2,21,46,249</b>

Note:

- As on the date of this Draft Red Herring Prospectus 1 Equity Share holds 1 vote.
- PAN of the shareholders have been provided by our Company prior to listing of Equity Share on the Designated Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, 1 day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of the BSE before commencement of trading of such Equity Shares.
- The term "Encumbrance" has the same meaning as assigned under Regulation 28(3) of SEBI SAST Regulations.
- All pre-IPO Equity Shares of our Company will be locked-in prior to listing of Equity Shares on SME Platform of BSE.

## 8. Details of Equity Shares held by our Directors, Key Managerial Personnel and Senior Management

- a. Except as set out below, none of the Directors or Key Managerial Personnel or Senior Management of our Company are holding any Equity Shares in our Company:

Sr. No.	Name	Designation	No. of Equity Shares	% of the pre- Offer Equity Share capital	% of the post- Offer expanded Equity Share capital
1.	Mr. Keyur Girishchandra Shah	Chairman and Managing Director	1,63,02,595	73.61	[●]
2.	Mrs. Twinkle Keyur Shah	Non-Executive Director	6,48,000	2.93	[●]
3.	Mr. Nirav Prakash Patel	Executive Director (Global Business) (SMP)	36,000	0.16	[●]
4.	Mr. Gautam Rajubhai Nikam	Executive Director (Operations) (SMP)	36,000	0.16	[●]
5.	Mr. Suril Saumil Mehta	Independent Director	31,845	0.14	[●]
<b>Total</b>			<b>1,70,54,440</b>	<b>77.00</b>	<b>[●]</b>

## 9. Acquisition and sale/transfer of Equity Shares by our Promoter, Promoter Group, Directors and their relatives in last 6 months:

- a. **Details of sale/transfer of Equity Shares by our Promoter, Promoter Group, Directors and their relatives in last 6 months:**

Except as disclosed below, none of the members of the Promoter Group, the Promoter, or the Directors and their relatives have Trasfered or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus:

Date of transaction	Details of Transferor		Name of Transferee		Number of Equity Shares allotted / transferred	Face Value per Equity Share (₹)	Transfer Price Equity Share (₹)
	Name of Transferor	Category	Name of Transferee	Category			
May 16, 2024	Mr. Keyur Girishchandra Shah	Promoter	Negen Undiscovered Value Fund	Public	2,76,926	10	216.67
May 16, 2024	Mr. Keyur Girishchandra Shah	Promoter	Visionary Value Fund	Public	46,154	10	216.67
May 16, 2024	Mr. Keyur Girishchandra Shah	Promoter	Odyssey Corporation Limited	Public	1,38,460	10	216.67
May 16, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Ajay T Jaisinghani	Public	46,154	10	216.67
May 16, 2024	Mr. Keyur Girishchandra Shah	Promoter	Ms. Reina R Jaisinghani	Public	1,84,615	10	216.67

May 21, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Neil Madan Bahal	Public	92,304	10	216.67
May 22, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Navin Mahavirprasad Dalmia	Public	1,84,615	10	216.67
May 27, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Navin Mahavirprasad Dalmia	Public	2	10	216.67
May 28, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Kunjal Lalitkumar Patel	Public	3,69,233	10	216.67
May 28, 2024	Mr. Keyur Girishchandra Shah	Promoter	Ms. Sonam Arpit Choksi	Public	9,231	10	216.66
June 10, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Rishi Shah	Promoter Group	1,00,000	10	Nil*
June 11, 2024	Mr. Keyur Girishchandra Shah	Promoter	Ms. Zea Keyur Shah	Promoter Group	1,00,000	10	Nil*
June 20, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Kanubhai Shakarabhai Patel	Public	5,078	10	216.68
June 20, 2024	Mr. Keyur Girishchandra Shah	Promoter	Vanlila Kanubhai Patel	Public	46,154	10	216.67
July 04, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Hriday Parikh	Public	5,000	10	216.67
July 04, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Harin Nareshbhai Parikh	Public	3,000	10	216.67
July 04, 2024	Mr. Keyur Girishchandra Shah	Promoter	Manasee Harin Parikh	Public	2,000	10	216.67
July 04, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mr. Suril Saumil Mehta	Independent Director	10,615	10	216.67
September 17, 2024	Mr. Keyur Girishchandra Shah	Promoter	Samir Parikh	Public	8,333	5	120.00
September 17, 2024	Mr. Keyur Girishchandra Shah	Promoter	Atul Dhirajlal Patel	Public	12,500	5	120.00
September 17, 2024	Mr. Keyur Girishchandra Shah	Promoter	Hemant Ghanshyambai Patel	Public	12,500	5	120.00
September 17, 2024	Mr. Keyur Girishchandra Shah	Promoter	Swati Tarunkumar Shah	Public	1,666	5	120.05
September 17, 2024	Mr. Keyur Girishchandra Shah	Promoter	Advait H Arora	Public	9,166	5	120.01



September 17, 2024	Mr. Keyur Girishchandra Shah	Promoter	Vishal Arunbhai Gandhi	Public	16,666	5	120.00
September 23, 2024	Mr. Keyur Girishchandra Shah	Promoter	Mayur Rajnikant Shah	Promoter Group	17,000	5	120.00

\*Equity Shares transferred through gift

b. **Details of Acquisition of Equity Shares by our Promoter, Promoter Group, Directors and their relatives in last 6 months:**

Date of Allotment/ Acquisition	Name of Allottees/ Transferee	Category	**No. of Equity Shares allotted/Acquired	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for Allotment/Acquisition
April 16, 2024	Mr. Keyur Girishchandra Shah	Promoter	7,90,498	10	218.26	Transfer
April 24, 2024	Keyur Girishchandra Shah	Promoter	41,29,815	10	Nil	Bonus Issue
	Twinkle Keyur Shah	Promoter Group	1,26,000	10	Nil	
	Bhavin Girishbhai Shah	Promoter Group	7,000	10	Nil	
	Hirna Bhavin Shah	Relative of Promoter Group	7,000	10	Nil	
	Ria Bhavin Shah	Relative of Promoter Group	10,500	10	Nil	
	Sia Bhavin Shah	Relative of Promoter Group	10,500	10	Nil	
June 10, 2024	Mr. Rishi Shah	Promoter Group	1,00,000	10	Nil	Gift
June 11, 2024	Ms. Zea Keyur Shah	Promoter Group	1,00,000	10	Nil	Gift
July 04, 2024	Mr. Suril Saumil Mehta	Independent Director	10,615	10	216.67	Transfer
July 22, 2024	Keyur Girishchandra Shah	Promoter	54,60,142	5	Nil	Bonus Issue
	Twinkle Keyur Shah	Promoter Group	2,16,000	5	Nil	
	Bhavin Girishbhai Shah	Promoter Group	12,000	5	Nil	
	Hirna Bhavin Shah	Relative of Promoter Group	12,000	5	Nil	

	Ria Bhavin Shah	Relative of Promoter Group	18,000	5	Nil	
	Sia Bhavin Shah	Relative of Promoter Group	18,000	5	Nil	
	Zea Keyur Shah	Promoter Group	1,00,000	5	Nil	
	Rishi Shah	Promoter Group	1,00,000	5	Nil	
	Suril Saumil Mehta	Non-Executive Director	10,615	5	Nil	
September 23, 2024	Mayur Rajnikant Shah	Promoter Group	17,000	5	120.00	Transfer

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

Name of our Promoter	No. of Equity Shares held	Average cost of acquisition (in ₹)
Mr. Keyur Girishchandra Shah	1,63,02,595	8.69

11. None of the Equity Shares of our Company are subject to any pledge as on the date of this Draft Red Herring Prospectus.
12. There are no other persons belonging to the category “Person Acting in Concert” who are holding the Equity Shares of our Company more than 5% of the total number of shares as on the date of this Draft Red Herring Prospectus.
13. Except as disclosed below, there are no persons belonging to the category “Public” who are holding the Equity Shares of our Company more than 1% of the total number of shares as on the date of this Draft Red Herring Prospectus.

Name of Shareholders	Number of Equity Shares held	% of the pre-Offer paid-up Equity Share Capital
Negen Undiscovered Value Fund	8,30,778	3.75
Odyssey Corporation Limited	4,15,380	1.88
Reina R Jaisinghani	5,53,845	2.50
Neil Madan Bahal	2,76,912	1.25
Navin Mahavirprasad Dalmia	5,53,851	2.50
Kunjil Lalitkumar Patel	11,07,699	5.00
<b>Total</b>	<b>37,38,465</b>	<b>16.88</b>

**14. Details of Major Shareholders**

- a) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on date of the Draft Red Herring Prospectus:

Name of Shareholders	Number of Equity Shares held	% of the pre-Offer paid-up Equity Share Capital
Keyur Girishchandra Shah	1,63,02,595	73.61
Twinkle Keyur Shah	6,48,000	2.93
Rishi Shah	3,00,000	1.35
Zea Keyur Shah	3,00,000	1.35
Negen Undiscovered Value Fund	8,30,778	3.75

Odyssey Corporation Limited	4,15,380	1.88
Reina R Jaisinghani	5,53,845	2.50
Neil Madan Bahal	2,76,912	1.25
Navin Mahavirprasad Dalmia	5,53,851	2.50
Kunjai Lalitkumar Patel	11,07,699	5.00

- b) List of shareholders holding 1% or more of the Paid-up Capital of our Company as on a date 10 days prior to the date of the Draft Red Herring Prospectus:

Name of Shareholders	Number of Equity Shares held	% of the pre-Offer paid-up Equity Share Capital
Keyur Girishchandra Shah	1,63,02,595	73.61
Twinkle Keyur Shah	6,48,000	2.93
Rishi Shah	3,00,000	1.35
Zea Keyur Shah	3,00,000	1.35
Negen Undiscovered Value Fund	8,30,778	3.75
Odyssey Corporation Limited	4,15,380	1.88
Reina R Jaisinghani	5,53,845	2.50
Neil Madan Bahal	2,76,912	1.25
Navin Mahavirprasad Dalmia	5,53,851	2.50
Kunjai Lalitkumar Patel	11,07,699	5.00

- c) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on a date 1 year prior to the date of the Draft Red Herring Prospectus.

Name of Shareholders	Number of Equity Shares held	% of the pre-Offer paid-up Equity Share Capital
Keyur Girishchandra Shah	21,59,370	70.20
Twinkle Keyur Shah	90,000	2.93
MGC Moser Glaser AG	7,90,498	25.70

- d) List of shareholders holding 1% or more of the paid-up Equity Share capital of our Company 2 years prior to the date of filing of this Draft Red Herring Prospectus:

Category of Shareholders	Number of Equity Shares held	% of the pre-Offer paid-up Equity Share Capital
Keyur Girishchandra Shah	21,59,370	70.20
Twinkle Keyur Shah	90,000	2.93
MGC Moser Glaser AG	7,90,498	25.70

15. As on the date of this Draft Red Herring Prospectus, our Company does not have an employee stock option plan.
16. Neither the Book Running Lead Manager nor their associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares of our Company as on the date of the Draft Red Herring Prospectus.
17. There are no Equity Shares against which depository receipts have been issued.
18. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of Equity Shares on the Designated Stock Exchange pursuant to this Offer.

19. Our Company presently does not have any intention or proposal and is not under negotiations or considerations to alter our capital structure for a period of 6 months from the date of opening of the Offer, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on rights issue basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to the issuance of any Equity Shares under the Offer; Provided further that if our Company enters into acquisition(s) or Joint Venture(s) or if the business needs otherwise arise, we may, subject to necessary approvals, consider raising additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such Joint Ventures 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 our Board to be in the interest of our Company.
20. There have been no financing arrangements whereby our Promoter, Promoter Group, our Directors or 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 any such entity / individual or otherwise, during the period of 6 months immediately preceding the date of filing of this Draft Red Herring Prospectus.
21. Our Company, our Promoter, our Directors and the Book Running Lead Manager have not entered into any buy-back or standby or similar arrangements for the purchase of Equity Shares being offered through the Offer from any person.
22. All securities offered through the Offer shall be made fully paid-up, if applicable, or may be forfeited for non-payment of calls within twelve months from the date of allotment of Equity Shares.
23. An over-subscription to the extent of 10% of the Net Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the Allotment subject to minimum Allotment, which is the minimum application size. Consequently, the actual Allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post- Offer paid-up capital after the Offer would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoter and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post-Offer paid-up capital is locked in.
24. The Book Running Lead Manager and their associates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
25. Investors may note that in case of over-subscription, Allotment will be on proportionate basis as detailed under section titled '*Basis of Allotment*' in the section titled '*Offer Procedure*' beginning on page 329 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253(2) of SEBI ICDR Regulations.
26. There are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.
27. All the Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus. Further, since the entire Offer Price in respect of the Offer is payable on Application, all the successful Applicants will be issued fully paid-up Equity Shares and thus all Equity Shares offered through this Offer shall be fully paid-up.
28. As per RBI regulations, OCBs are not allowed to participate in this Offer.
29. As on the date of the Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.
30. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

31. Our Company shall comply with such accounting and disclosure norms as specified by BSE, SEBI and other regulatory authorities from time to time.
32. An Applicant cannot make an Application for more than the number of Equity Shares being issued through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
33. Our Company, Directors, Promoter or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Offer except as disclosed in this Draft Red Herring Prospectus.
34. We have 33 (Thirty-Three) Shareholders as on the date of filing of the Draft Red Herring Prospectus
35. Our Promoter and the members of our Promoter Group will not participate in this Offer, other than to the extent of the Promoter Selling Shareholder participating in the Offer for Sale in his capacity as a 'selling shareholder'.
36. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation.
37. Our Company has not revalued its assets since its incorporation.
38. This Offer is being made through the Book Building Method.
39. As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights, that would entitle the existing Promoter or Shareholders or any other person, any option to receive Equity Shares after the Offer.
40. Our Company shall ensure that transactions in the Equity Shares by our Promoter and the Promoter Group between the date of filing this Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Designated Stock Exchange within 24 hours of such transaction.
41. For the details of transactions by our Company with our Promoter Group during the Financial Years ended March 31, 2024, 2023, and 2022, please refer to the paragraph titled '*Related Party Transactions*' in the section titled '*Financial Information*' beginning on page 236 of this Draft Red Herring Prospectus. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the section titled '*Our Management*' beginning on page 206 of the Draft Red Herring Prospectus.

## SECTION VII: PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of up to 64,40,000 Equity Shares of face value of ₹ 5/- each aggregating up to ₹ [●] lakhs and an Offer for Sale of up to 11,36,000 Equity Shares of face value of ₹ 5/- each aggregating up to ₹ [●] lakhs. The total Offer size will be ₹ [●] lakhs. For details, please refer section titled “*The Offer*” on page 65

#### FRESH ISSUE

The Offer comprises a Fresh Issue of up to 64,40,000 Equity Shares of face value of ₹5/- each aggregating up to ₹ [●] Lakhs by our Company.

#### OFFER FOR SALE

The Offer comprises of an Offer for Sale of up to 11,36,000 Equity Shares of face value of ₹ 5/- each aggregating to ₹ [●] Lakhs by the Promoter Selling Shareholder. The details of the Offer for Sale are set out below:

Name of the Promoter Selling Shareholder*	Number of Equity Shares offered in the Offer for Sale	Aggregate amount of Offer for Sale (in ₹ Lakhs)	Date of consent letter
Keyur Girishchandra Shah	upto 11,36,000	upto [●]	October 14, 2024

*\*The Promoter Selling shareholder has confirmed and authorized his participation in the Offer for Sale in relation to the Offered Shares. The Promoter Selling Shareholder confirms that the Offered Shares have been held by him for a period of at least one year prior to the filing of this Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations.*

The Promoter Selling Shareholder will be entitled to his portion of the proceeds from the Offer for Sale after deducting proportionate Offer related expenses and relevant taxes thereon. The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholder and will not form part of the Net Proceeds. Our Company will not receive any proceeds received from the Offer for Sale. Except for the listing fees which shall be solely borne by our Company, all Offer related expenses will be shared, upon successful completion of the Offer, between our Company and the Promoter Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Offer and the Equity Shares offered by the Promoter Selling Shareholder in the Offer for Sale. For further details of the Offer for Sale, please refer section titled “*The Offer*” beginning on page 65

#### OBJECTS OF THE FRESH ISSUE

The Net Proceeds of the Fresh Issue, i.e. Gross Proceeds of the Fresh Issue less Issue expenses apportioned to our Company (“**Net Proceeds**”) are proposed to be utilised for the following objects:

1. Setting up a new factory to manufacture Resin Impregnated Paper (RIP) / Resin Impregnated Synthetic (RIS) transformer condenser graded bushings
2. General Corporate Purposes

(Collectively referred to herein as the “**Objects**”)

#### Proceeds of the Issue

The following table sets forth the details of the Net Proceeds:

(₹ in Lakhs)

Particulars	Amount*
Gross Proceeds from the Fresh Issue <sup>(1)</sup>	[●]
Less: Offer expenses in relation to the Fresh Issue to be borne by our Company <sup>(2)</sup>	[●]
Net Proceeds <sup>(1)</sup>	[●]

<sup>(1)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with RoC

<sup>(2)</sup> The Offer related expenses shall vary depending upon the final offer size and the allotment of Equity Shares. For further details, please refer to heading titled 'Estimated Offer Related Expenses' of this section title 'Objects of the Offer' of the DRHP.

### Utilization of Net Proceeds

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

(₹ in Lakhs)

Sr No	Particulars	Estimated Amount
3.	Setting up a new factory to manufacture RIP/RIS transformer condenser graded bushings <sup>(1)</sup>	7,321.56
4.	General Corporate Purposes <sup>(2)</sup>	[●]
	<b>Total (Net Proceeds)</b>	<b>[●]</b>

<sup>(1)</sup> Total estimated cost is based on the Cost Assessment Report dated October 14, 2024 issued by Chintan Kishorbhai Vaidya, an independent chartered engineer

<sup>(2)</sup> Subject to finalisation of the Basis of Allotment. The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue

In addition to the aforementioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on the SME Platform of BSE Limited, including among things, the enhancement of our Company's brand name and creation of a public market in India for our Equity shares.

The main objects and objects incidental and ancillary to the main objects clause of our Memorandum of Association enable our Company to: (i) undertake the existing business activities; and (ii) undertake the activities proposed to be funded from the Net Proceeds. Further, we confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

### Proposed Schedule of Implementation and Deployment of Net Proceeds

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

(₹ in Lakhs)

Objects	Amount to be funded from Net Proceeds	Amount to be deployed from the Net Proceeds in Fiscal 2025	Amount to be deployed from the Net Proceeds in Fiscal 2026
Setting up a new factory to manufacture RIP transformer condenser graded bushings	7,321.56 <sup>(1)</sup>	2,812.17	4,509.39
General Corporate Purposes <sup>(2)</sup>	[●]	[●]	[●]
<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

<sup>(1)</sup> Represents total cost based on the Cost Assessment Report dated October 14, 2024 issued by Chintan Kishorbhai Vaidya, an independent chartered engineer minus cost incurred by Company till date

<sup>(2)</sup> Subject to finalisation of the Basis of Allotment. The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue.

The fund requirement, the proposed schedule of implementation and the intended use of the Net Proceeds as set-out above are based on our current business plans, management estimates of future growth projections, vendor quotations, current circumstances of our business and prevailing market conditions, which are subject to change. Further, the fund requirement and proposed deployment of funds described herein have not been appraised by any bank or financial institution. For details, please refer section titled "Risk Factor No. 1—"We intend to utilize a portion of the Net proceeds for setting up the Proposed Manufacturing Facility at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat. We are yet to place orders for plant, machinery and equipment and apply for requisite government approvals for the Proposed Manufacturing Facility. If we are unable to commission our Proposed Manufacturing Facility without time and cost overruns or unable to adhere to the schedule of implementation, it may adversely affect our business, results of operations and financial conditions." on page 39.

57. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, financial and market conditions, competition, business and strategy, negotiation with lenders and our vendors, interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law. For details, please refer, section titled “*Risk Factor2 - “There can be no assurance that the Objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.”*” on page 41

We propose to deploy the entire Net Proceeds towards the Objects during Fiscal 2025 and 2026. However, if the Net Proceeds are not completely utilised for the objects stated above by the end of the above-mentioned period, such amounts will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

### **Means of Finance**

We intend to finance the Objects from the Net Proceeds and Internal Accruals. Accordingly, we confirm that we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VIII and Regulation 7(1)(e) of the SEBI ICDR Regulations and there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing internal accruals. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/ or availing further borrowings. Further, if the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

### **Details of the Objects of the Offer**

#### **I. Setting up a new factory to manufacture RIP/RIS transformer condenser graded bushings**

Our Company is engaged in the business of manufacturing high voltage and high-current transformer bushings particularly RIP (Resin Impregnated Paper)/RIS (Resin Impregnated Synthetic) Condenser Bushings, High Current Bushings and OIP (Oil Impregnated Paper) Condenser Bushings.

*In India, a transition from OIP to RIP and Epoxy Resin bushings is being witnessed, reflecting upon the need for more robust, maintenance-free, and environmentally resistant solutions. OIP bushings have seen the wider adoption historically due to their proven reliability and suitability for high voltage applications. However, the market is transitioning to RIP bushings upon their introduction, due to their solid insulation system, eliminating the risks associated with oil. RIP bushings offer improved safety and reliability, aligning with increasing environmental regulations that discourage the use of oil. A similar trend is being witnessed across other countries as utilities prioritize reliability and safety in power transmission, the trend towards more advanced insulation technologies like RIP will grow. (Source: Industry Report from Ken Research Private Limited)*

The Company is proposing to set up a new factory in Vadodara, Gujarat to manufacture RIP/RIS transformer condenser graded bushings to take advantage of the opportunities mentioned in the above paragraph.

The total estimated cost for setting up the factory is ₹ 8,345.17 lakhs. This has been estimated by our management and approved by our Board of Directors pursuant to its meeting dated October 14, 2024 and quotations / agreements / purchase orders received from third party suppliers / service providers. These quotations / agreements / purchase orders have been certified through a Cost Assessment Report dated October 14, 2024 issued by Chintan Kishorbhai Vaidya.



The itemised list of estimated spends towards the setup is as follows:

(₹ in Lakhs)

Sr No.	Objects of the Issue	Total Estimated Cost <sup>(1)</sup>	Amount Deployed from internal accruals and borrowings <sup>(2)</sup>	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization	
					Fiscal 2025	Fiscal 2026
<b>A</b>	Land	932.91	488.43	444.48	444.48	-
<b>B</b>	Construction of Factory Building	2,257.05	-	2,257.05	690.66	1,566.39
<b>C</b>	Plant and Machinery	3,881.03	271.92	3,609.11	1,222.88	2,386.23
<b>D</b>	Construction of Extra High Voltage (EHV) Testing Lab	780.32	-	780.32	234.10	546.22
<b>E</b>	Project Management Consultancy	493.85	263.25	230.59	220.05	10.54
	<b>Total</b>	<b>8,345.16</b>	<b>1,023.60</b>	<b>7,321.55</b>	<b>2,812.17</b>	<b>4,509.38</b>

<sup>(1)</sup> Total estimated cost is based on the Cost Assessment Report dated October 14, 2024 issued by Chintan Kishorbhai Vaidya

<sup>(2)</sup> As certified by the Auditors of our Company, viz. M/s. Shah Mehta & Bakshi, Chartered Accountants pursuant to their certificate dated October 14, 2024

#### A. Land

The Company is proposing to build a factory for the manufacture of RIP condenser graded bushings. To meet this objective, the Company has entered into a binding sale deed dated July 1, 2024 with Hamraz Food Products Private Limited for the land situated at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat.

The break-up of the cost of land is given below:

(₹ in Lakhs)

Particulars	Plot Size (sq. ft.)	Rate per sq. ft (₹)	Total Cost	GST @ 18%	Grand Total	Amount paid till date	Amount to be financed from Net Proceeds
	A	B	C=A*B	D=C*18%	E=C+D	F	G=E-F
Base Consideration	1,40,524	530	744.78	-	744.78	372.39	372.39
Development Charge	1,40,524	70	98.37	17.71	116.07	58.03	58.03
Initial Maintenance Charge	1,40,524	20	28.10	-	28.10	14.05	14.05
Registration and Stamp Duty					43.96	43.96	
<b>Total</b>					<b>932.91</b>	<b>488.43</b>	<b>444.48</b>

The Company proposes to use ₹ 444.48 lakhs from the Net Proceeds in Fiscal 2025 to clear the outstanding dues towards the land purchased.

#### B. Construction of Factory Building

The Land will be utilized to construct a factory building having approximately 85,000 sq. ft. build up area. The total amount that the Company proposes to invest in the construction of factory building is ₹ 2,257.05 lakhs, out of which the entire amount is intended to be funded from the Net Proceeds.

The details given below is taken from Cost Assessment Report dated October 14, 2024 issued by Chintan Kishorbhai Vaidya.

**Summary of Works:**

Nature of Work	Supplier	Quotation Date	Validity (months)	Amount* (₹ in Lakhs)
Electrification and HVAC Work	Skai Air Control Private Limited	14-10-2024	6	<b>388.16</b>
Supply, Manufacturing and installation of Pre-Engineered Building (PEB)	Konart Steel Buildings Private Limited	14-10-2024	6	<b>649.00</b>
Firefighting System	Sneha Enterprise	14-10-2024	6	<b>92.19</b>
Landscape Design Consultancy	Studio 3087 Architects	14-10-2024	6	<b>17.70</b>
Interior Works & Furniture	Spandan Enterprises Private Limited	14-10-2024	6	<b>59.30</b>
Civil Work	Rudrani Infrastructure and Developers	14-10-2024	6	<b>1,009.23</b>
Area Grading Work	Khyatee Associates	14-10-2024	6	<b>41.48</b>
<b>Total</b>				<b>2,257.06</b>

\* inclusive of GST @ 18%

**Break-down of Works:**

**I. Electrification and HVAC Work**

Sr. No.	Description	Unit	Qty	Unit Rate (₹)	Amount (₹ in Lakhs)
1	Electrification Work (Lighting, Cable, Trays, Fans, Lighting DB, Earthing, Socket etc. only)				
A	Factory Building	SQM	5,500	1,350	74.25
B	Compressor, Electrical Room & Utilities (ACC Building Ground Floor only)	SQM	250	1,200	3.00
C	Admin Building	SQM	400	1,200	4.80
D	Toilet Block Area (Ground Floor)	SQM	200	1,200	2.40
E	Pump House 25 Sq Mt	LS	1	75,000	0.75
F	Scrap Yard Covered with Shed (Civil + PEB)	SQM	100	1,200	1.20
G	Security Building	LS	1	300,000	3.00
2	HVAC Work				
A	Factory Building	SQM	3,000	5,000	150.00
B	Admin Building	SQM	400	5,000	20.00
3	External Electrical Work				
A	External Electrical Cabling Work	Nos	5	35,000	1.75
B	Flood Light	Nos	3	60,000	1.80
4	Epoxy Coating on Floor 2 MM Thick.	SQM	5,500	1,200	66.00
				<b>Total (Basic)</b>	<b>328.95</b>
				<b>+ GST @ 18%</b>	<b>59.21</b>
				<b>Total Post GST</b>	<b>388.16</b>

## II. Supply, Manufacturing and installation of Pre-Engineered Building (PEB)

Nature of Work	Amount (₹ in Lakhs)*
<ul style="list-style-type: none"> <li>- General Dimensional &amp; Building Orientation</li> <li>- Roof Sheet &amp; Roof Liner</li> <li>- Wall Cladding Condition, Wall Liner &amp; Partition</li> <li>- Wall Cladding, Wall Liner &amp; Liner Sheet</li> <li>- Gutter &amp; Down Take</li> <li>- Roof Accessories</li> <li>- Wall Accessories</li> <li>- Design Loads</li> </ul> <p><i>Total Weight ~ 381MT</i></p>	649.00

\* inclusive of GST @ 18%

## III. Firefighting System

Sr. No.	DESCRIPTION	Amount (₹ in Lakhs)
1	Mechanical Part	
A	Pump House Equipment	19.25
B	Hydrant Network	28.65
2	Electrical And Instrumentation Part	4.43
3	Fire Extinguisher	5.42
4	Fire Alarm And Detection System	18.85
5	As Built Preparation & Obtaining Of Legal Approval (NOC) From Local Authority Or Fire Brigade	1.50
	<b>Total (Basic)</b>	<b>78.12</b>
	<b>+ GST @ 18%</b>	<b>14.06</b>
	<b>Total Post GST</b>	<b>92.18</b>

## IV. Landscape Design Consultancy

Nature of Work	Amount (₹ in Lakhs)*
<ul style="list-style-type: none"> <li>• Programming and Concept Development</li> <li>• Landscape Layout drawings and details</li> <li>• Plantation Layout</li> <li>• Electrical &amp; Lighting (Only limited to selections and suggestions).</li> <li>• Architectural Working Drawings</li> <li>• Wall treatments, colour and finishes selections (Only limited to selections and suggestions)</li> <li>• Flooring Details (Only limited to selections and suggestions).</li> <li>• Artwork or Mural work (Only limited to selections and suggestions)</li> </ul>	17.70

\* inclusive of GST @ 18%

## V. Interior Works & Furniture

Sr. No.	Description	Amount (₹ in Lakhs)
1	General Interior Works	21.67

2	False Ceiling Work	8.92
3	Furniture Work	15.20
4	Chair and Seating System	4.45
<b>Total (Basic)</b>		<b>50.25</b>
<b>+ GST @ 18%</b>		<b>9.04</b>
<b>Total Post GST</b>		<b>59.29</b>

#### VI. Civil Work

Sr. No.	Name	Particulars	Amount (₹ in Lakhs)	Amount (₹ in Lakhs)
1	Main Production Shed	Earth Work	34.17	410.67
		Concrete Work	143.33	
		Masonry Work	27.21	
		Finishing Work	26.37	
		Pavior	80.17	
		Door And Window Work	37.89	
		Miscellaneous Work	35.42	
		Structural Steel Work	23.84	
		Pile Work	2.28	
2	Administrative Building	Earth Work	3.79	83.77
		Concrete Work	50.33	
		Masonry Work	5.94	
		Finishing Work	5.62	
		Pavior	4.47	
		Door And Window Work	2.74	
		Miscellaneous Work	6.37	
		Sanitary Work	4.53	
3	Security Building	Earth Work	0.50	13.98
		Concrete Work	5.24	
		Masonry Work	1.36	
		Finishing Work	1.62	
		Pavior	1.98	
		Doors And Windows Work	1.53	
		Miscellaneous Work	0.71	
		Sanitary Work	1.05	
4	RCC Road & Storm Water Drain	RCC Road Work	103.00	163.24
		Storm Water Drain Work	44.13	
		Paved Area Work	16.12	
5	Underground Water Tank	Earth Work	0.91	11.91
		Concrete Work	7.97	
		Miscellaneous Work	3.04	
6	Sewage Treatment Plant	Earth Work	1.48	
		Concrete Work	12.48	
		Masonry Work	0.77	
		Finishing Work	0.22	

		Miscellaneous Work	7.46	22.41
7	DG Foundation & Transformers	Earth Work	1.55	17.23
		Concrete Work	4.69	
		Miscellaneous Work	8.12	
		Fencing Work	2.88	
8	Water Supply Network	Water Supply Network	16.05	16.05
9	Sewage Disposal System	Sewage Disposal System	10.79	10.79
10	Fire Water Tank & Pump House	Earth Work	0.60	11.80
		Concrete Work	8.38	
		Miscellaneous Work	2.83	
11	Fire Pump Room	Earth Work	1.08	16.72
		Concrete Work	6.37	
		Masonry Work	1.18	
		Finishing Work	0.99	
		Pavior	0.33	
		Door And Window Work	1.40	
		Miscellaneous Work	5.37	
12	Recharge Well	Recharge Well	6.00	6.00
13	Scrap Yard	Earth Work	1.48	15.31
		Concrete Work	5.38	
		Masonry Work	1.74	
		Finishing Work	0.71	
		Pavior	0.91	
		Structural Steel & Roofing Work	4.68	
		Miscellaneous Work	0.42	
14	Parking Shed & Gate	Pile Work	0.74	10.43
		Earth Work	1.49	
		Concrete Work	1.70	
		Miscellaneous	0.88	
		Structural Steel Work	5.62	
15	Compound Wall	Earth Work	0.72	44.91
		Concrete Work	21.21	
		Masonry Work	5.00	
		Miscellaneous Work	11.48	
		Pile Work	6.51	
			<b>Total (Basic)</b>	<b>855.27</b>
			<b>+ GST @ 18%</b>	<b>153.94</b>
			<b>Total Post GST</b>	<b>1,009.22</b>

#### VII.Area Grading Work

Sr. No.	Nature of Work	Amount (₹ in Lakhs)
1	Supply of Soil, including Transportation	31.15
2	Levelling & Compacting the Soil	4.00
	<b>Total (Basic)</b>	<b>35.15</b>

	+ GST @ 18%	6.32
	<b>Total Post GST</b>	<b>41.48</b>

### C. Plant and Machinery

The total amount that the Company proposes to invest in the procurement of Plant and Machinery is ₹ 3,881.03 lakhs, out of which ₹ 271.92 lakhs has already been invested by the Company. The balance of ₹ 3,609.11 lakhs is intended to be funded from the Net Proceeds.

The details of plant and machinery that the Company intends to procure as part of this project is given below:

*(Amount in Lakhs)*

Sr. No	Item	Supplier	Quotation Date [in 2024]	Validity [months]	Cost Per Unit as Per Quotation	Cost Per Unit <sup>(1)</sup> (₹)	Estimated Incidenta l Cost <sup>(2)</sup> (₹)	Total Cost Per Unit (₹)	Qty	Total Cost (₹)
						(A)	(B)	(C) = A + B	(D)	(E) = C*D
1	Winding Machine	Intelligent Motion Technology Pvt Ltd	Aug 25	6	₹ 1,756.88	1,756.88	81.49	1,838.37	1	1,838.37
2	Resin Mixing Unit	HEDRICH GmbH	May 10	N/A <sup>(3)</sup>	€ 12.99	1209.76	145.64	1,355.40	1	1,355.40
3	Autoclaves	Vacuum Plant & Instruments Mfg. Co. Ltd	Aug 24	6	₹ 94.50	94.50	3.31	97.81	4	391.23
4	Material Handling Equipment	Safex Industries Limited	Sep 5	6	₹ 186.00	186.00	10.23	196.24	1	196.24
5	CNC Machine (Machining Unit)	Maruti Machine Tools	Apr 20	N/A <sup>(3)</sup>	₹ 99.80	99.80	-	99.80	1	99.80
								<b>Total</b>		<b>3,881.03</b>

(1) Fx rate used for conversion is 1 Euro = ₹ 93.13. This is taken from www.xe.com on September 19, 2024

(2) Includes Installation, Sea Freight, Insurance and Duty on CIF. Domestic Procurements are excluding GST

(3) Executed contract / purchase order in place hence validity date is not relevant

### D. Construction of Extra High Voltage (EHV) Testing Lab

As part of this project, our Company is looking to set up a EHV Testing Lab at a total cost of around ₹ 780.32 lakhs, out of which the entire amount is intended to be funded from the Net Proceeds.

The EHV lab will confer the following benefits to the Company:

1. High Voltage Testing

- Dielectric Strength: EHV labs are equipped to test bushings at voltages far above their operating levels to verify their dielectric strength. This ensures that the bushing can withstand surges, lightning strikes, and other voltage spikes without breaking down.
  - Partial Discharge (PD) Testing: Detecting partial discharge is crucial for identifying any potential insulation weaknesses or defects in bushings. PD tests help ensure long-term performance and safety by identifying risks of breakdown at the early stages.
  - Power Frequency Withstand Test: This test is conducted in an EHV lab to ensure that the bushing can handle sustained high voltage over a longer period without failure.
2. Validation of Design and Material Performance
- Material Compatibility: EHV labs help assess the performance of insulating materials used in the bushing, ensuring that they can handle the high electric stress and environmental conditions. This is important for maintaining insulation integrity and avoiding premature failures.
  - Thermal Performance: The lab helps evaluate the heat resistance of bushings, ensuring that they don't overheat during operation, which can lead to material degradation.
3. Testing Under Realistic Field Conditions
- Impulse Testing: EHV labs simulate the conditions that bushings may face in actual service environments, such as lightning impulses or switching surges. Impulse tests validate the bushing's ability to withstand such transient conditions.
  - Capacitance and Dissipation Factor (Tan  $\delta$ ) Measurement: This test measures the effectiveness of the bushing's insulation over time. An EHV lab helps measure these factors accurately, ensuring that the insulation is reliable throughout its lifecycle.
4. Regulatory Compliance and Certification
- Many countries and industries require bushings to meet specific international standards, such as IEC or IEEE standards. EHV labs ensure compliance with these regulations, providing certifications necessary for the bushings to be used in critical infrastructure projects.
5. R&D and Innovation
- EHV labs are vital for research and development. They will allow us to experiment with new materials, designs, and technologies under extreme conditions, leading to the creation of more robust, efficient, and reliable bushings.
6. Quality Assurance and Failure Analysis
- EHV labs will help us to conduct routine tests on production samples to ensure consistency and quality control. If failures occur, the lab helps in the analysis of the root cause, enabling improvements in design and manufacturing processes.

(Amount in Lakhs)

Sr. No	Item	Supplier	Quotation Date [in 2024]	Validity (months)	Cost Per Unit as Per Quotation	Cost Per Unit <sup>(1)</sup> (in ₹)	Estimated Incident al Cost <sup>(2)</sup> (₹)	Total Cost Per Unit (₹)	Qty	Total Cost (₹)
						(A)	(B)	(C) = A + B	(D)	(E) = C*D
1	PD free AC Test System ( 200 kVA 400 kV)	Fivestar HV Testing	Sep 4	6	\$1.04	86.60	14.33	100.93	1	100.93

2	PD free AC Test System (700kVA 2x350kV)	Equipment Co Ltd			\$2.45	204.99	33.93	238.92	1	238.92
3	Impulse Voltage Test System (1200kV 60kJ)				\$1.27	106.26	17.59	123.85	1	123.85
4	Impulse Voltage Test System (1800kV 90kJ)				\$1.70	141.82	23.47	165.29	1	165.29
5	Partial Measurement & Analysis Kit				36.18	36.18	0.90	37.09	2	74.18
6	Tan Delta Measurement & Analysis kit	INFINITY Measurement Solutions Pvt Ltd.	Aug 29	7	38.26	38.26	0.96	39.21	1	39.21
7	Calibrator				2.96	2.96	0.07	3.04	1	3.04
8	Shunt				3.90	3.90	0.10	4.00	1	4.00
9	SF6 Standard Capacitor (100kV, 50pF)				\$0.04	3.68	0.61	4.29	1	4.29
10	SF6 Standard Capacitor (200kV, 50pF)	Shanghai Jiu Zhi Electric Co., Ltd	Sep 6	6	\$0.09	7.95	1.32	9.26	1	9.26
11	SF6 Standard Capacitor (300kV, 50pF)				\$0.18	14.89	2.46	17.36	1	17.36
								<b>Total</b>		<b>780.32</b>

(1) Fx rate used for conversion is 1 \$ = ₹83.67. This is taken from [www.xe.com](http://www.xe.com) on September 19, 2024

(2) Includes:

- Freight, Insurance and Shipping charge - @ 5% of original purchase cost for imports and @ 2.5% of original purchase cost for domestic procurement Basic Custom Duty (BCD)- 10% on (original purchase cost for imports + Freight, Insurance and Shipping charge)
- Surcharge on BCD - 10% on BCD
- Domestic Procurements are excluding GST

## E. Project Management Consultancy

Our Company has entered into a Memorandum of Understanding on February 10, 2024 with Affinitas AG, Switzerland for project management consultancy involving sharing of knowledge for the design, manufacturing process and technology related to RIP and RIS condenser graded bushings [upto 420 kV].

The expected duration of the project management consultancy will be around 24-36 months. The expected maximum cost will be CHF 500,000 which is approximately ₹ 493.85 lakhs (Fx rate used for conversion is CHF 1 = ₹98.77. This is taken from [www.xe.com](http://www.xe.com) on September 19, 2024). The Company has already incurred ₹263.25 lakhs till date, the balance of ₹ 230.59 lakhs is expected to be funded from the Net Proceeds.

The scope of work involves the following key activities

### 1. Project Start

- General Specification regarding RIP and RIS main equipment, capex investment, vendor analysis, factory layout as well as defining the skill sets of people required
- Assistance for machine criteria specification and RFQ formulation
- Visiting suppliers for clarification, production control
- Assistance for production flow arrangement and factory layout



2. Sharing of Knowledge
  - Sharing of knowhow for the calculation, design, manufacturing and master the process of RIP / RIS bushings
  - Handout information of needed materials, technical specification and key supplier list
  - Processing instructions and manuals regarding mould preparation, machining, pre-testing, assembling, long duration aging test, packing, transportation etc
  - Troubleshooting – instruction in case of process deviation and / or failures
3. Redesigning Company's existing oil-air bushings
4. Training Programmes – for new employees to ensure they are familiar with new equipment, processes and procedures.
5. Site Training Plan
  - Training of project manager and group team leader
  - Verification of instruction manuals and checklist
  - Briefing / troubleshooting
6. Completion
  - Create formal project completion documentation
  - Implementation of a system for continuous monitoring of production process of RIP / RIS bushings
  - Identify and resolve issues as they arise

We have not entered into any definitive agreement with any of the suppliers except if explicitly mentioned under the sections “Land”, “Plant & Machinery” and “Project Management Consultancy” and there can be no assurance that the same suppliers will be engaged eventually for the respective works at the same costs. The quantities and related costs will be based on the actual requirements and management estimates. Our Company shall have the flexibility to conduct such works / avail services according to the business requirements, which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Our Promoter, Directors, Key Management Personnel or Group Entities have no interest in the proposed works, as stated above.

In the event there is a shortfall of funds required for setting up the new factory, such shortfall shall be met out of the amounts allocated for general corporate purposes and / or through internal accruals or borrowing from financial institutions.

## **II. GENERAL CORPORATE EXPENSES**

We propose to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue, in compliance with Regulation 230 (2) of the SEBI ICDR Regulations. The general corporate purposes for which we propose to utilize the Net Proceeds includes meeting day to day expenses which includes amongst other things, short-term working capital requirements, meeting any expense of the Company, including meeting any shortfall in setting up the new factory, salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties, servicing of borrowings including payment of interest, brand building and other marketing expenses, meeting expenses incurred in the ordinary course of business and towards any exigencies, and any other purpose as considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and our business requirements, from time to time. Our management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any.

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

## Details of funds deployed till date and sources of funds deployed

The funds deployed up to 1,043.61 lakhs pursuant to the object of this Issue as certified by the Auditors of our Company, viz. Shah Mehta & Bakshi, Chartered Accountants pursuant to their certificate dated October 14, 2024 is given below:

(₹ in Lakhs)

Deployment of Funds	Amount
Setting up a new factory to manufacture RIP transformer condenser graded bushings	1,023.61
Issue related expenses	20.00
<b>TOTAL</b>	<b>1,043.61</b>

(₹ in Lakhs)

Sources of Funds	Amount
Internal accruals	773.67
Borrowings	269.94
<b>TOTAL</b>	<b>1,043.61</b>

## Estimated Offer Related Expenses

The total expenses for this Offer are estimated not to exceed ₹ [●] Lakhs which is [●]% of Offer Size. The details of Offer expenses are tabulated below:

Particulars	Amount	% of Total Offer Expenses	% of Total Offer size
Book Running Lead Manager fees [including underwriting]	[●]	[●]	[●]
Brokerage, selling commission and other uploading fees	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Fees to the legal advisor, audit / chartered accountant fees	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to regulators including stock exchange	[●]	[●]	[●]
Printing and distribution expenses	[●]	[●]	[●]
Fees payable to Industry Report provider	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
<b>Total Expenses</b>	[●]	[●]	[●]

Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.

1) Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for RIBs*	0.25% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.15% of the Amount Allotted (plus applicable taxes)

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

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE. No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

2) No processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / CRTAs / CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Non-Institutional Bidders*	₹ 10 per valid application (plus applicable taxes)
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\* Processing fees payable to the SCSBs on the ASBA Form for Non-Institutional Bidder and Qualified Institutional Bidders with bids above ₹ 5.00 Lakh would be ₹ 10 plus applicable taxes, per valid application

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹ 0.5 lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹ 0.5 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

3) Selling commission on the portion for RIBs (up to ₹2.00 Lakh) and Non-Institutional Bidders which are procured by members of the Syndicate Members, Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the Registered Brokers would be as follows:

Portion for RIBs*	0.25% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.15% of the Amount Allotted (plus applicable taxes)

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

The Selling Commission payable to the brokers will be determined (i) for RIBs and Non-Institutional Bidders (up to ₹ 5.00 Lakh), on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member, and (ii) for Non-Institutional Bidders (above ₹ 5.0 Lakh), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub-Syndicate Member and not the SCSB.

Bidding charges payable to Registered Brokers on the applications made using 3-in-1 accounts, would be ₹ 10 plus applicable taxes, per valid application bid by the Broker. Bidding charges payable to SCSBs on the QIB Portion and Non-Institutional Bidders (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹ 10 per valid application (plus applicable taxes). Bidding charges payable on the application made using 3-in-1 accounts will be subject to a maximum cap of ₹ 1.00 lakh (plus applicable taxes). The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE

Selling commission / bidding charges payable to the Registered Brokers on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIBs and Non-Institutional Bidder	₹ 10 per valid application (plus applicable taxes)
Bidding charges / processing fees for applications made by UPI Bidders would be as under	
Payable to members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	₹ 10 per valid application (plus applicable taxes)
Payable to Sponsor Bank	₹ 7 per valid application (plus applicable taxes) The Sponsor Banks 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 applicable SEBI circulars, agreements and other Applicable Laws

The total uploading charges / processing fees payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers as listed under (4) will be subject to a maximum cap of ₹3.00 lakh (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹3.00 lakh, then the amount payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹3.00 lakh.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Banks Agreement. The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/I/M dated March 16, 2021.

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.

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 BRLM, 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.*

### **Interim Use of Net Proceeds**

Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board or a duly constituted committee thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity shares of any other listed company.

### **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 Red Herring Prospectus our Company has not raised any bridge loans from any bank or financial institution which are proposed to be repaid from the Net Proceeds.

### **Appraising entity**

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

### **Monitoring of Utilisation of Funds**

As the proposed size of the Offer is less than ₹10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, we are not required to appoint of a monitoring agency for the monitoring the utilisation of Net Proceeds. Our Board will monitor the utilization of Net Proceeds through its Audit Committee.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next fiscal year. Further, in accordance with Regulation 32(1)(a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

### **Variations 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 Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other Confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's Key Managerial Personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoter, our directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws. Further, pursuant to the Offer, the Net Proceeds received by our Company shall only be utilised for objects identified by our Company and for general corporate purposes and none of our Promoter and Promoter Groups, shall receive a part of or whole Net Proceeds directly or indirectly.

## BASIS FOR OFFER PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information**” beginning on page 39, 167 and 238 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Offer Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 5/- each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer “*Risk Factors*”, “*Our Business*” and “*Restated Financial Statements*” beginning on 39, 167 and 238 respectively of this Draft Red Herring Prospectus

### Qualitative Factors:

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

- Unique positioning in the Indian Transformer Bushing Market
- Strong industry tailwinds will augment demand for bushings product
- Strong track record of supply and installation creates entry barriers for new players
- Long standing and deep relationships with distinguished clientele leading to recurring business
- Advanced infrastructure, manufacturing facility and R&D capabilities
- Stringent quality measures and adherence to quality standards
- Experienced and strong management team and trained workforce

For further details, see “Risk Factors” and “Our Business” on pages 39 and 167, respectively.

### Quantitative Factors:

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

#### 1. Basic and Diluted Earnings per share (EPS), as adjusted for changes in capital

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Year ended March 31, 2024	5.45	5.45	3
Year ended March 31, 2023	5.16	5.16	2
Year ended March 31, 2022	3.93	3.93	1
<b>Weighted Average</b>	<b>5.10</b>	<b>5.10</b>	
Period ended June 30, 2024 ( <i>Not Annualised</i> )	1.41	1.41	

Notes:

- (1) *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
- (2) *The ratios have been computed as below:*
  - *Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.*
  - *Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.*

- (3) *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.*
- (4) *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e.  $\{(EPS \times Weight)\}$  for each year /  $\{Total\ of\ weights\}$ .*

**2. Price/ Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per equity share:**

<b>Particulars</b>	<b>(P/E) Ratio at the lower end of the Floor Price (no. of times)*</b>	<b>(P/E) Ratio at the higher end of the Price Band (no. of times)*</b>
Based on Basic or Diluted EPS as per the Restated Financial Statements for the ended March 31, 2024	[●]	[●]
Based on Weighted Average Basic and Diluted EPS	[●]	[●]
Based on diluted EPS for Period ended June 30, 2024 (post bonus & split)	[●]	[●]

*\*to be updated at RHP / Prospectus stage*

**Industry Peer Group P/E ratio**

<b>Particulars</b>	<b>P/E Ratio</b>
Highest	363.7
Lowest	83.6
Average	223.7

*\*P/E ratio for the peer group has been computed based on the closing market price of equity shares on BSE Limited as on October 08, 2024, divided by the diluted EPS for financial year ended March 31, 2024.*

**3. Average Return on Net Worth (RoNW)**

<b>For Year/Period Ended</b>	<b>RoNW</b>	<b>Weight</b>
March 31, 2024	32.51%	3
March 31, 2023	40.37%	2
March 31, 2022	42.02%	1
<b>Weighted Average</b>	<b>36.71%</b>	
Period ended June 30, 2024 (Not Annualised)	7.16%	

*Notes:*

- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e.  $(RoNW \times Weight)$  for each year/Total of weights.*
- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated Average net worth at the end of the year/period.*
- 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 statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

d) As certified by Shah Mehta & Bakshi, the Statutory Auditor of our Company pursuant to their certificate dated October 14, 2024

#### 4. **Net Asset Value (NAV) per Equity Share (Face Value of ₹ 5/- each)**

Particulars	NAV (₹)
Year Ended March 31, 2024	136.98
Year Ended March 31, 2023	104.30
Year Ended March 31, 2022	79.67
NAV per Equity Share at Floor Price*	[●]
NAV per Equity Share at Cap Price*	[●]
Offer Price per share*	[●]
Period ended June 30, 2024 (Not Annualised)	61.31

\*To be updated at RHP / Prospectus stage

Notes:

- Net Asset Value per Equity Share = Net worth as per the Restated Financial Statements / Number of equity shares outstanding as at the end of period.
- As certified by Shah Mehta & Bakshi, the Statutory Auditor of our Company pursuant to their certificate dated October 14, 2024

#### 5. **Comparison of Accounting Ratio with Industry Peers:**

Name of the Company	Current Market Price (₹)	Face Value (₹)	Basic EPS (₹)	P/E (x) times	RoNW(%)	Net Asset Value per share (₹)
Yash High Voltage Ltd	NA	5	5.45	NA	32.51%	136.98
<b>Peer Group</b>						
Crompton Greaves Power and Industrial Solutions	779	2	9.33	83.60	47.29%	19.76
Hitachi Energy	14,052	2	38.64	363.74	13%	320.86

Notes:

- The figures for our company are based on Restated Financial Information for the year ended March 31, 2024.
- The figures for the Peer Group are based on / computed based on the Financial Information present in the Annual report for the year ended March 31, 2024
- Current Market Price (CMP) is the closing price as on October 08, 2024 and is sourced from [www.bseindia.com](http://www.bseindia.com). For our company, CMP = Issue Price
- P/E Ratio has been computed based on the CMP as divided by the Basic EPS as on March 31, 2024
- RoNW has been computed by dividing restated net profit after tax with the average restated Net worth of beginning and the end of the year / period
- The Issue Price determined by our Company and Selling Shareholder in consultation with the BRLM is justified by our Company in consultation with the BRLM on the basis of the above parameters.
- The face value of our equity shares is ₹5/- per share and the Issue Price is of ₹ [●] per share is [●] times of the face value
- Listed peers are as identified by us on the basis of similar industry / sector as our Company, however the peers may not be comparable with size of our Company. The peers provide a wide range of products / services in addition to bushings.



## 6. Key Performance Indicators (KPIs)

- a) The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analysing the growth in comparison to our peers. The KPIs disclosed below have been approved, by a resolution of our Audit Committee dated October 14, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been *certified by Shah Mehta & Bakshi, the Statutory Auditor of our Company pursuant to their certificate dated October 14, 2024* Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the 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.

(Amount in ₹ Lakhs)

Particulars	3 month ended June 30, 2024	Fiscal year 2023-24	Fiscal year 2022-23	Fiscal year 2021-22
REVENUE FROM OPERATIONS	2,762.88	10,848.08	9,036.21	6,505.71
EBITDA	522.48	2,015.08	1,915.72	1,451.16
EBITDA MARGIN	18.91%	18.58%	21.20%	22.31%
PAT	312.75	1,206.27	1,142.22	871.23
PAT MARGIN	11.32%	11.12%	12.64%	13.39%
NET WORTH	4,526.20	4,213.45	3,208.21	2,450.65
RETURN ON NET WORTH (RoNW)	7.16%	32.51%	40.37%	42.02%
DEBT-EQUITY RATIO (times)	0.28	0.17	0.24	0.30
BUSHINGS SOLD (Units)	1,109	4,538	4,576	3108
INCREASE IN NUMBER OF CLIENTS	16	48	50	81

KPI	FORMULA
REVENUE FROM OPERATIONS	Revenue From Operations (Excluding Other Income)
EBITDA	EBITDA is calculated as = Profit Before Tax + Depreciation & Amortisation expense + Finance Cost - Other Income.
EBITDA MARGIN %	EBITDA Margin (%) is calculated as EBITDA for the year/period as a percentage of Revenue from Operations (%).
PAT	Profit after Tax Means Profit for the period/year as appearing in the Restated Financial Statements. Profit After Tax from Continuing Operations
PAT MARGIN %	PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from operations. PAT / Total revenue from operation.
NET WORTH	Net Worth is calculated as= Share Capital + Balance in Profit and Loss + Security Premium.
RETURN ON NET WORTH (RoNW) %	Return on Net Worth is calculated by comparing the proportion of net income against the amount of average shareholder equity.
DEBT-EQUITY RATIO	Debt to Equity ratio is calculated as Long-Term Debt + Short Term Debt divided by shareholder equity.
BUSHINGS SOLD (Units)	Number of RIP/RIS, OIP and High Current bushings sold have been considered.

INCREASE IN NUMBER OF CLIENTS	The increase in clients added in Financial year 21-22, 22-23 and 23-24 along with three months ended June 30, 2024.
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KPI	Explanation
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 the Company and size of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of our business as it considers all sources of our core income.
EBITDA MARGIN %	EBITDA Margin is an indicator of the operational profitability and financial performance of Company's business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT MARGIN %	PAT margin is an indicator of the overall profitability and financial performance of our business.
NET WORTH	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the Company
RETURN ON NET WORTH (RoNW) %	Return on Net Worth is an indicator of our efficiency as it measures our profitability. It shows how efficiently we generate profits from our shareholders funds.
DEBT-EQUITY RATIO	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
BUSHINGS SOLD (Units)	Number of bushings units which includes RIP/RIS, OIP and High Current bushings has been considered
INCREASE IN NUMBER OF CLIENTS	The increase in number of clients shows that how company is growing, and new clients places their trust on company every year.

\* As approved by resolution of the Audit Committee of our Board dated October 14, 2024 and as certified by Shah Mehta & Bakshi, the Statutory Auditor of our Company pursuant to their certificate dated October 14, 2024

**7. Set forth below are the details of comparison of key performance of indicators with our listed individual peers**

**Fiscal 2024**

(in ₹ lacs except % and ratios)

Particulars	Yash Highvoltage Limited*	Crompton Greaves Power and Industrial Solutions**	Hitachi Energy**
Revenue from Operations <sup>(1)</sup>	10,848.08	8,04,600.00	5,24,680.00
EBITDA <sup>(2)</sup>	2,015.08	1,22,300.00	31,180.00
EBITDA Margin <sup>(3)</sup>	18.58%	15%	6%
PAT <sup>(4)</sup>	1,206.27	1,42,700.00	16,380.00
PAT Margin <sup>(5)</sup>	11.12%	18%	3%

**Fiscal 2023**

(in ₹ lacs except % and ratios)

Particulars	Yash Highvoltage Limited*	Crompton Greaves Power and Industrial Solutions**	Hitachi Energy**
Revenue from Operations <sup>(1)</sup>	9,036.21	6,97,300.00	4,48,370.00
EBITDA <sup>(2)</sup>	1,915.72	1,08,800.00	21,180.00
EBITDA Margin <sup>(3)</sup>	21.20%	16%	5%
PAT <sup>(4)</sup>	1,142.22	96,267.00	9,390.00
PAT Margin <sup>(5)</sup>	12.64%	14%	2%

**Fiscal 2022**

(in ₹ lacs except % and ratios)

Particulars	Yash Highvoltage Limited*	Crompton Greaves Power and Industrial Solutions**	Hitachi Energy**
Revenue from Operations <sup>(1)</sup>	6,505.71	5,60,300.00	4,95,090.00
EBITDA <sup>(2)</sup>	1,451.16	62,900.00	33,620.00
EBITDA Margin <sup>(3)</sup>	22.31%	11%	7%
PAT <sup>(4)</sup>	871.23	91,300.00	20,340.00
PAT Margin <sup>(5)</sup>	13.39%	16%	4%

Notes:

(1) *REVENUE FROM OPERATIONS: Revenue from Operations (Excluding Other Income)*(2) *EBITDA: Profit Before Tax + Depreciation & Amortisation expense + Finance Cost - Other Income*(3) *EBITDA MARGIN %: EBITDA / Revenue from Operations (%)*(4) *PAT: Profit After Tax from Continuing Operations*(5) *PAT MARGIN %: PAT / Total revenue from operation*

\*Financial Information for Yash High Voltage Limited is taken from Restated Financial Information.

\*\*Financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the Industry Report issued by Ken Research Private Limited for the year ended March 31, 2024, March 31, 2023 and March 31, 2022

**8. Weighted average cost of acquisition****A. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities) excluding shares issued under ESOP/ESOS and issuance of bonus shares.**

There have been no primary issuance during the 18 months prior to the date of this certificate (excluding shares issued under ESOP/ESOS and bonus shares) where such issuance was equal to or more than 5% of 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.

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

The computation of weighted average cost of acquisition of all secondary issuance by Promoter and Promoter Group and/or the other shareholders during the 18 months prior to the date of this DRHP (excluding gifts) and where such sale or acquisition was equal to or more than 5% of 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.

Sr No	Date of Transfer [in 2024]	Name of Transferor	Name of Transferee	No. of Equity Shares (A)	Face Value Per Equity Share (Rs)	Transaction Price per Equity Share (B) (Rs)	Total Consideration (A*B) (Rs)	% of Pre Issue Capital
1	April 16	MGC MOSER-GLASER A.G.	Keyur Girishchandra Shah	7,90,498	10	218.26	17,25,31,868	25.70
2	May 16	Keyur Girishchandra Shah	Negen Capital	2,76,926	10	216.67	6,00,00,720	3.75
3	May 16	Keyur Girishchandra Shah	Visionary Value Fund	46,154	10	216.67	1,00,00,120	0.63

4	May 16		Odyssey Corporation Limited	1,38,460	10	216.67	2,99,99,840	1.88
5	May 16		Ajay Thakurdas Jaisinghani	46,154	10	216.67	1,00,00,120	0.63
6	May 16		Reina R Jaisinghani	1,84,615	10	216.67	3,99,99,960	2.50
7	May 21		Neil Bahal	92,304	10	216.67	1,99,99,200	1.25
8	May 22		Navin Dalmia	1,84,615	10	216.67	4,00,00,047	2.50
9	May 27		Navin Dalmia	2	10	216.67	433	0.00
10	May 28		Kunjil Patel	3,69,233	10	216.67	8,00,00,440	5.00
11	May 28		Sonam Choksi	9,231	10	216.67	20,00,000	0.13
<b>Weighted Average Cost of Acquisition of the above transactions (after changes in capital due to bonus and split)</b>						<b>47.72</b>		

- C. In case there are no such transactions to report under (A) and (B), then the information shall be disclosed for price per share of the Issuer Company based on last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO 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 the date of filing of the DRHP, irrespective of the size of transactions. – **Not Applicable**

**Secondary Transactions:**

**D. Weighted average cost of acquisition, floor price and cap price**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ [●]/-)	Cap price (i.e. ₹ [●] /-)
Weighted average cost of acquisition of primary / new issue as per paragraph a above	NA	[●]	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	47.72	[●]	[●]
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph c above  -Primary Transactions  -Secondary Transactions	NA	[●]	[●]

*\*as adjusted for changes in capital*

**E. The Issue Price is [●] times of the face value of the equity shares**

The face value of our share is ₹5/- per share and the Issue Price is of ₹[●] per share are [●] times of the face value. Our Company and Selling Shareholder in consultation with the Book Running Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the abovementioned information along with the section titled “Risk Factors” beginning on page 39 of this Draft Red Herring Prospectus and the financials of our Company as set out in the chapter titled “Restated Financial Information” beginning on page 238 of this Draft Red Herring Prospectus

## STATEMENT OF SPECIAL TAX BENEFITS

To  
The Board of Directors  
**Yash Highvoltage Limited**  
84/1B, PO Khakharia, TA: Savli,  
Vadodara 391510 Gujarat

Dear Sir/ Madam,

**Ref: Proposed initial public offering of equity shares of face value of ₹ 5/- each (the “Equity Shares”) of Yash Highvoltage Limited (the “Company”/ “the “Issuer”) comprising a fresh issue of the Equity Shares by the Company (the “Fresh Issue”) and an offer for sale of Equity Shares by Promoter Selling Shareholder of the Company (“Offer for Sale” and together with the Fresh Issue, the “Offer”).**

Sub: Statement of Special Tax Benefits (‘The Statement’) available to **Yash Highvoltage Limited (“The Company”)** and its shareholders under the Direct and Indirect Tax Laws in India

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

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

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

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

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

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

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose

without our prior written consent.

**For Shah Mehta & Bakshi.**  
**Chartered Accountants**  
Firm's Registration No:103824W

**Daxal Pandya**  
**Partner**  
Membership No: 177345  
UDIN: 24177345BKBFJP3545  
Place: Vadodara

## **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”)**

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

### **UNDER THE TAX LAWS**

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

##### **DIRECT TAX LAWS**

###### **- Deduction under Section 80JJAA of the Act**

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Income-tax Act, 1961, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

###### **- Section 35 of the Act**

Under Section 35 of the Income-tax Act, 1961, in respect of research & development cost incurred, the company can avail 100% deduction on the capital expenditure on the R&D cost of building, plant, equipment etc. [excluding cost of land]. The company can avail 100% of weighted deduction on all direct expenditures (other than land & building) incurred on in house research and development facility. In addition, the company can also take 100% exemption in the custom duty for capital goods imported for R&D purpose. Further the company can also avail 100% exemption in excise duty on the purchase of capital equipment and consumables needed for R&D purpose. Moreover, the in-house R&D units recognized by DSIR are also eligible for receiving funds for R&D purpose from various government departments and agencies such as DST, DBT, CSIR, ICMR, ICAR, and TDB.

##### **INDIRECT TAX LAWS**

[-]

#### **B. SPECIAL TAX BENEFITS AVAILABLE TO SHAREHOLDERS**

There are no special tax benefits available to the Shareholders under the Tax Laws.

##### **NOTES:**

1. The above is as per the current Tax Laws prevalent as on the date of issuance of this certificate.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.
4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
5. The tax benefits discussed in the Statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
6. The stated benefits will be available only to the sole/ first named holder in case the equity shares are held by joint holders.



7. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
8. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
9. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
10. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

For **Yash Highvoltage Limited**

**Keyur Girishchandra Shah**  
**Managing Director**  
**Date: October 14, 2024**  
**Place: Vadodara**

## SECTION VIII: ABOUT THE ISSUER

### OUR INDUSTRY

Unless otherwise indicated, the industry and market data contained in this Draft Red Herring Prospectus is derived from the “Ken Research Report”, which has been commissioned by our Company. We have received the consent to use the extracts from this report vide Consent Letter dated October 04, 2024. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Ken Research Report and included herein with respect to any particular year, refers to such information for the relevant calendar year.

#### INDUSTRY OVERVIEW

##### 1. Global Economic Landscape

*The nominal Gross Domestic Product (GDP) at a global level stood at USD 104.8 Tn in 2023 and witnessed a CAGR of 4.6% between 2019-2023. The same is expected to grow at a CAGR of 4.9% during 2023-2029.*

The global economic growth is primarily driven by fiscal and monetary stimulus, stabilized supply chains, increased consumer spending, a rebound in international trade, and renewed business investments in power sector. Moreover, rapidly subsiding inflation rates, and advanced economies easing their fiscal policies is further supporting the economic growth across the world.

##### **Global GDP in USD Trillion (at current prices) and Growth Rate in (%) Outlook, 2019-2029F**



Source: World Economic Outlook, 2024 (IMF)

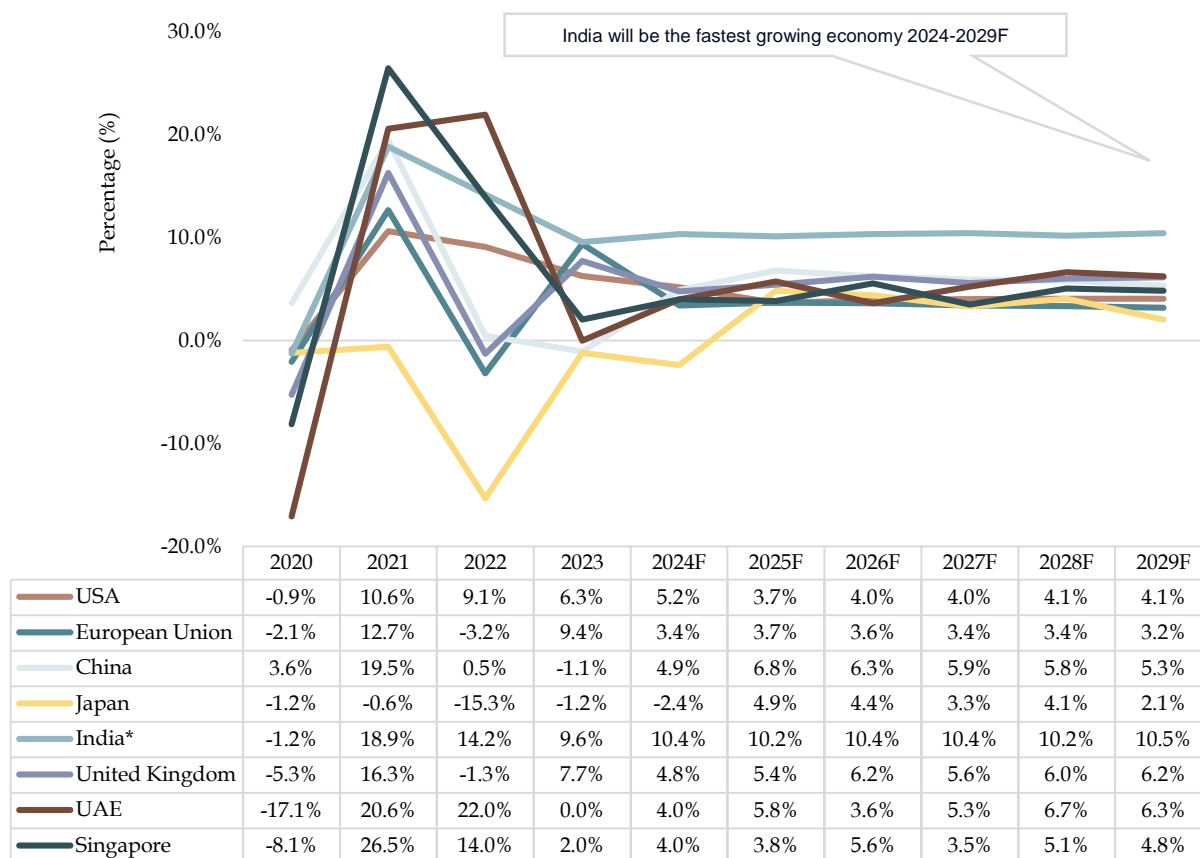
Note: F represents Forecasted figures

##### **Advanced economies are expected to witness moderation in growth rates from 5.5% in 2023 to 4.0% in 2024.**

The United States (US) is expected to see GDP growth drop from 6.3% in 2023 to 5.2% in 2024, with weakened consumer spending. Similarly, Japan and European Union are projected to have growth rates of -2.4% and 3.4%, respectively, in 2024. However, emerging economies will showcase promising growth, accelerating from 2.2% in 2023 to 5.2% in 2024. China's growth is expected to rise from -1.1% in 2023 to 4.9% in 2024 due to increased demand, stable prices, employment rates, and improved market confidence.

By 2027, India is projected to become the world's third-largest economy, surpassing Japan and Germany. India has shown resilience to global challenges like COVID-19, geopolitical conflicts, and central bank actions. Despite global inflation, high interest rates, and geopolitical tensions, India remains a significant contributor to world economic growth and is becoming more open through increased foreign trade. This resilience is supported by a stable financial sector, well-capitalized banks, and strong service exports. India's economic growth is expected to outperform other economies due to strong investment activity driven by government capital expenditure and robust private consumption among higher-income earners.

### GDP Growth of Major Economies (Growth Rates, in %), 2020-2029F



Source: Ken Research Analysis and World Economic Outlook, 2024 (IMF)

Note: F represents Forecasted figures

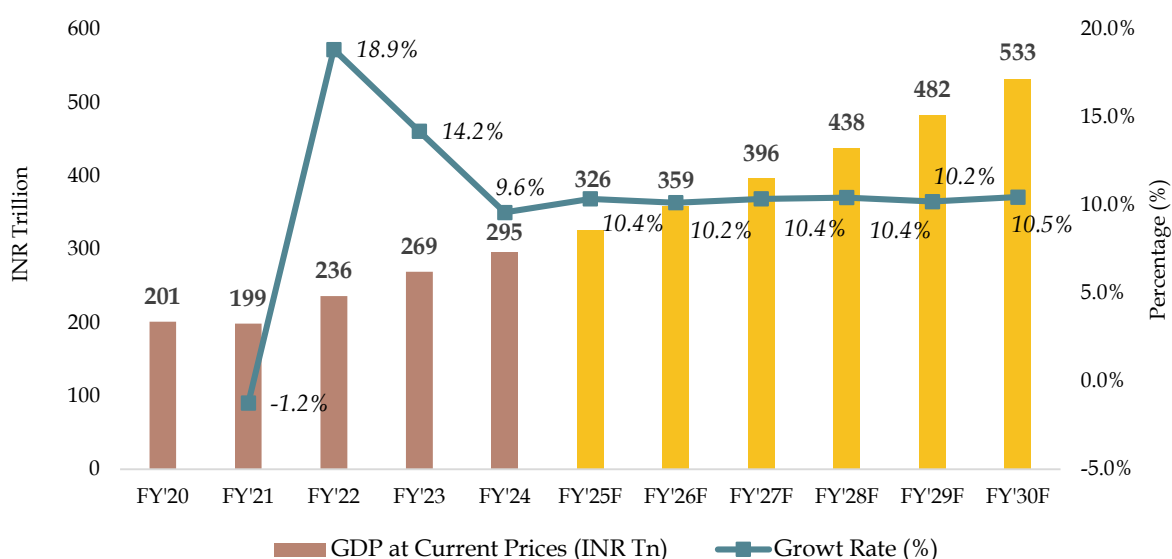
## 2. Indian Economic Outlook Landscape

### 2.1 Overview of Indian Economic Environment

**“India has emerged as the fastest-growing major economy in the world with nominal GDP growth rate of 10.4% expected in FY’25, backed by its robust democracy and strong partnerships.”**

Strong economic growth in the first quarter of FY’23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. 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.

## Indian GDP (at current prices) in INR Trillion and Growth Rate (in %), FY'20 - FY'30F



Source: Ministry of Statistics and Programme Implementation (MoSPI), World Economic Outlook, 2024 (IMF), Ken Research Analysis

Note: F represents Forecasted figures

In FY'22, the economy recovered from the pandemic-related stress as restrictions were eased and economic activity resumed, though inflation spiraled in the last quarter due to geopolitical pressures, with a GDP print of 18.9% vs -1.2% in FY'21. In FY'23, GDP rose 14.2% on strong growth momentum propelled by investments and private consumption. The share of investments in GDP rose to an 11-year high of 34% and that of private consumption to an 18-year high of 58.5%. (Source: International Monetary Fund)

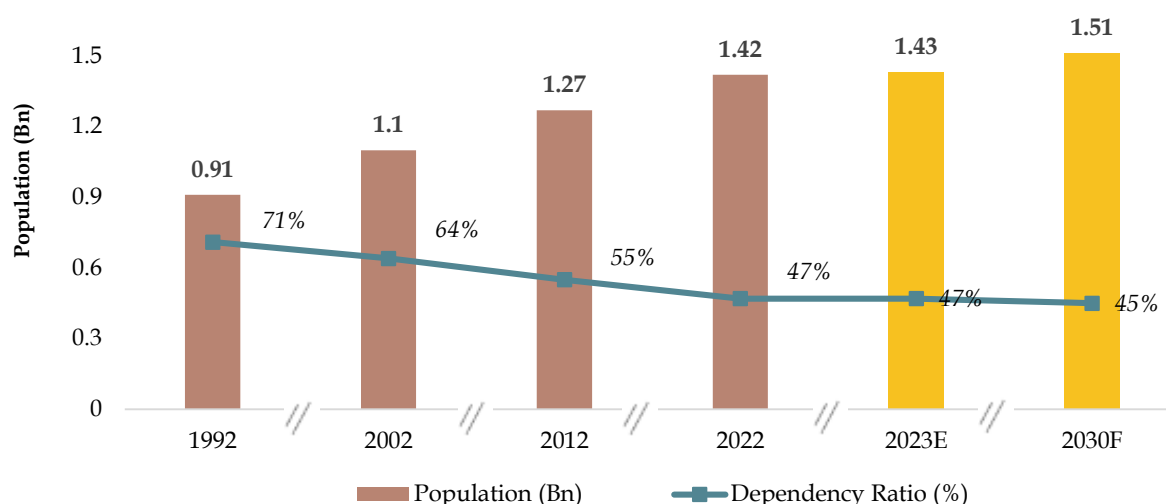
**In FY'24, nominal GDP grew at 9.6% and was estimated at INR 295.4 Tn, driven by continued strong investment and subdued private consumption growth.** Nominal GDP, or GDP at current prices in the March quarter of 2023-24, is estimated at INR 78.28 lakh crore, against INR 71.23 lakh crore in the year-ago period, showing a growth rate of 9.9%. Additionally, India is expected to grow faster than China as well as the global average in CY2024. (Source: MoSPI)

### 2.2 Key Economic Indicators & Their Impact on the Power Transformer Industry in India

#### Overview on Key Demographic Indicators in India

**By 2030F, the Indian population is expected to reach 1.51 billion**, increasing electricity demand and driving the need for expanded power infrastructure. This will require substantial investments in power generation, transmission, and distribution systems, which will encourage the utilities to increase their expenditure in procuring new power and distribution transformers.

## Trend of Indian Population (in Bn) and vis-à-vis Dependency Ratio (%), 1992 - 2030F



Source: World Bank Database & Ken Research Analysis

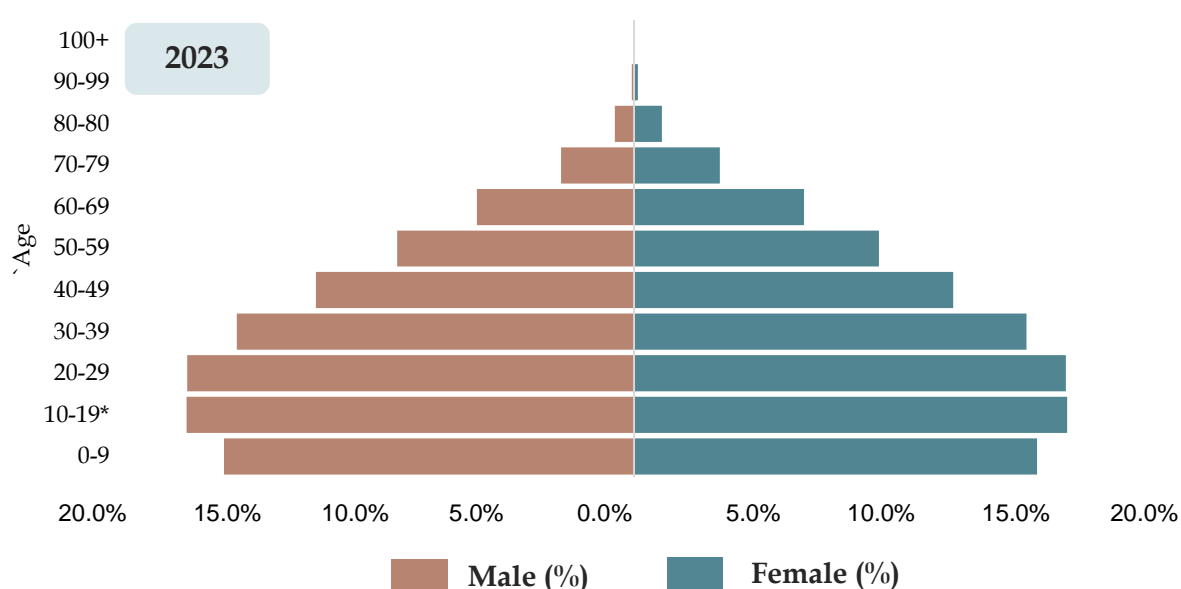
Note: E stands for Estimated; F stands for Forecasted

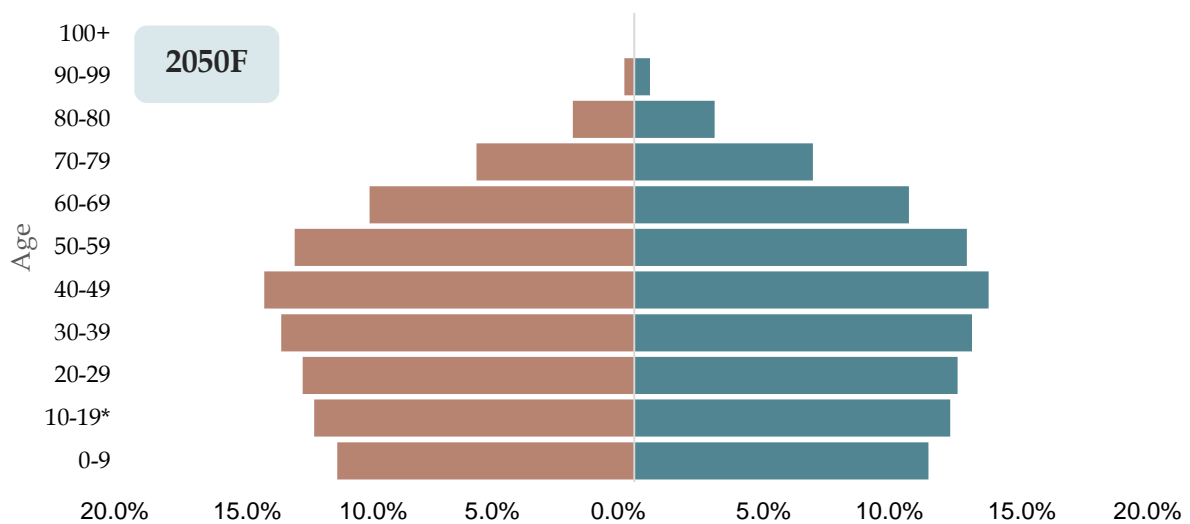
The Age Dependency Ratio measures the number of dependents (individuals younger than 15 and older than 64) relative to the working-age population (ages 15 to 64). This ratio has been on a downward trend, dropping from a high of 76% in 1982 to 47% in 2022. This decline signifies an increasing share of the working-age population generating income, a positive indicator for economic growth.

With a median age of 29, India boasts one of the youngest populations globally. Each year, a substantial number of young citizens enter the workforce, contributing to the potential for a significant 'demographic dividend'. This term refers to the economic growth potential that arises when the working-age population is healthy, educated, and gainfully employed, accompanied by a low proportion of young dependents.

India's population pyramid reveals that over two-thirds of the population is of working age, with the elderly comprising less than 7%. By 2050, the population distribution is expected to show a broad base extending into middle age (30-59 years). This age group typically represents the core of the labor force, driving sustained economic productivity and growth.

## Population Pyramid Trend of India, 2023 & 2050F





Source: UNPFA & Ken Research Analysis

### Scenario of Urbanization in India

**“By 2036, India’s towns and cities will be home to 600 million people, or 40% of the population, up from 31% in 2011, with urban areas contributing almost 70% to GDP.”** (Source: World Bank)

The urban population is significantly growing in India. It is estimated to have increased from 403 million (31.6% of total population) in 2012 to 508 million (35.9% of total population) in the year 2022. (Source: Ministry of Housing and Urban Affairs)

Since nearly 70% of the urban infrastructure needed by 2047 is yet to be built, sizeable investments will be required. By 2036, India will need to invest USD 840 billion in infrastructure - an average of USD 55 billion or 1.2% of GDP per annum. However, estimates suggest that between 2011 and 2018, the country’s total capital expenditure on urban infrastructure averaged only 0.6% of GDP, half the required quantum of investment. (Source: World Bank)

The growing urban population and infrastructure investments in India will significantly impact the power transformer industry. Increased urbanization and the \$67 billion energy sector investment over the next six years, including expansions in refineries and natural gas networks, will drive demand for reliable power transmission and distribution. This will necessitate a substantial increase in the number of power transformers, boosting the industry’s growth. Additionally, the expansion of infrastructure projects particularly railways will require robust power infrastructure, further stimulating demand for transformers.

### Rising Trend of India’s PER Capita disposable income

**“Consumer demand in India expected to grow at healthy pace with rising per capita income”**

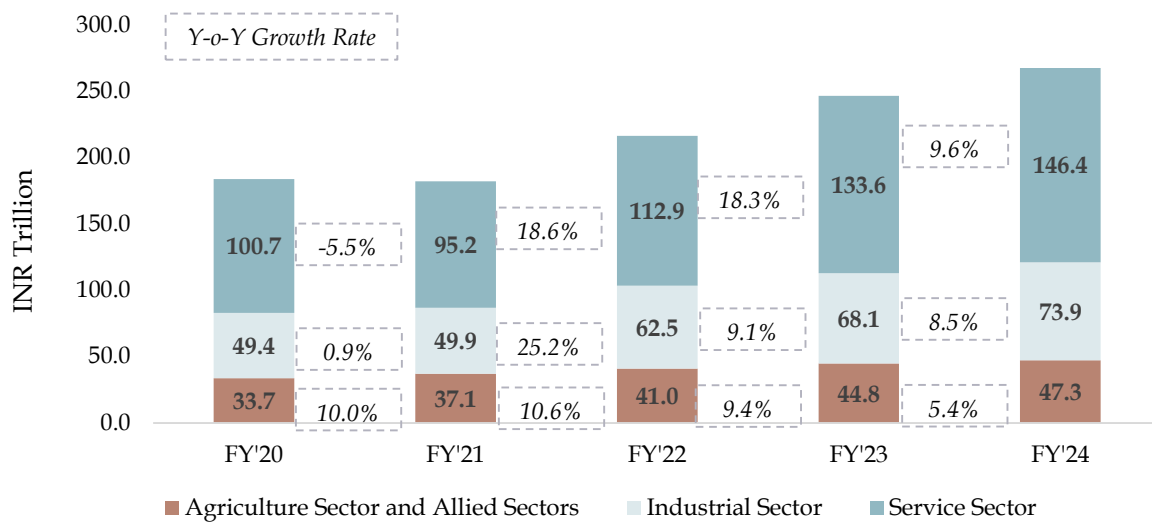
Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY’19 to FY’24, per capita GNDI at current prices registered a CAGR of 8.2%.

India’s per capita Gross National Disposable Income, a broad indicator of living standards, rose from Rs 198,125 in FY’23 to Rs 214,951 in FY’24, logging 8.5% growth rate. Growth was driven by improved job opportunities, supported by overall GDP expansion. More disposable income drives more consumption, thereby driving economic growth.

### Sectoral Composition of Gross Value Addition in India

**“Of the three major sectors, the service sector has been the fastest-growing sector in the last 5 years registering a CAGR growth of 9.8%.”**

## Sectoral Gross Value Addition to Indian Economy (in INR Tn) and Growth Scenario (in %), FY'20-FY'24



Source: Ministry of Statistics and Programme Implementation (MoSPI) & Ken Research Analysis

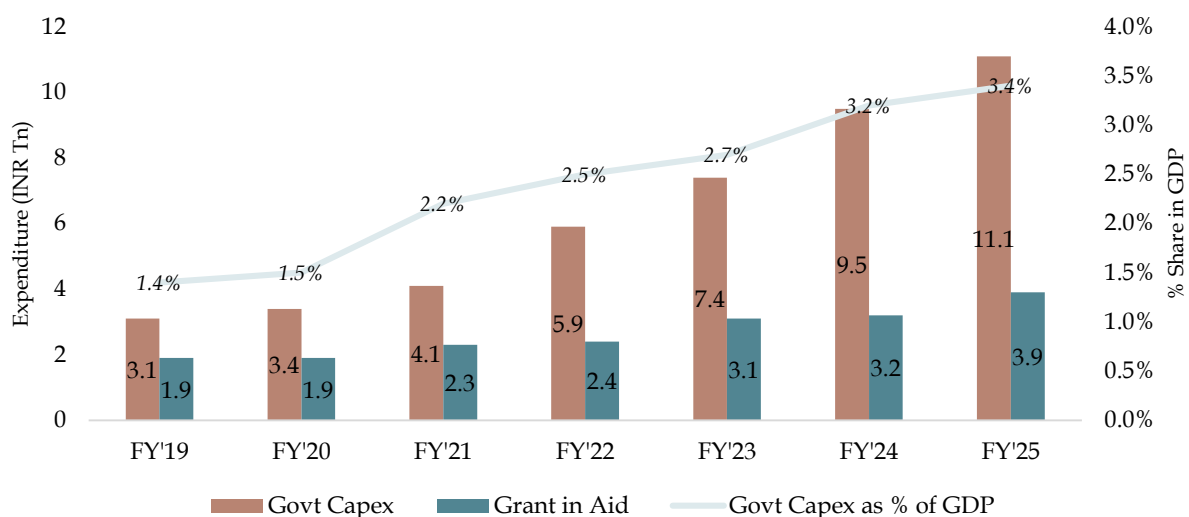
The service sector's robust growth, particularly in trade, hotels, transport, communication, finance, real estate, and professional services, will drive demand for power transformers, ensuring reliable electricity supply to support the expanding service infrastructure.

### 2.3 Government, Private Capital Expenditure & initiatives Impacting the Energy Sector

Government capital expenditure in India has been steadily rising due to expansion of infrastructure, increase in energy capacity and industrial growth. Government capex has sharply increased from INR 3.1 trillion in FY'19 to INR 9.5 trillion in FY'24.

Grants-in-aid that supplement capex has also seen a rising trend. Such grants support the states and public sector undertakings to spend on large infrastructure projects. Effective capex represents total fiscal effort towards capital formation with this amounting to the sum of capex and grants in aid. Effective capex reached INR 12.7 trillion by FY'24, indicative of large investments in economic development. The significant rise in government capital expenditure on infrastructure, energy capacity, and industrial growth will boost demand for power transformers, supporting the expansion and reliability of the power sector.

### India's Government Capital Expenditure (in INR Trillion) and its Share in GDP (in %), FY'19-FY'25



Another vital component of capital expenditure is the Gross fixed capital formation (GFCF) measures the investment in new physical assets within an economy, reflecting the portion of GDP used for long-term investments rather than consumption. The GFCF in India is rising from INR 32.78 trillion in 2014-15 to INR 54.35 trillion in 2022-23.

The need for reliable and high-efficiency power infrastructure components will rise in the country as it progresses to cleaner sources of energy. Supplemented with rising government capex, the surge in private GFCF guarantees uninterrupted market demand for power transformer and promises to foster new entrants and investments. An improvement in government capex for infrastructure directly translates into increased demand for power. The increase in government capex on infrastructure projects will necessitate the expansion and upgrade of power transmission networks, thereby encouraging demand for power transformers.

Increase in the capital expenditure, along with grants-in-aid, forms an effective capex projected to reach INR 15.0 trillion by FY'25. The government's ambitious goals, such as increasing the share of gas in the energy mix to 15% and achieving 500 GW of renewable capacity by 2030, necessitate substantial investments. These efforts will boost demand for power transformers, ensuring a reliable and expanded power infrastructure to meet growing energy needs.

**Rising Monthly Per Capita Consumption Expenditure (MPCE)** implies summary of level of household consumption expenditure. Average estimated MPCE in 2022-23 has been INR 3,773 in rural India and INR 6,459 in urban India. According to the Household Consumption Expenditure Survey 2022-23, the MPCE on fuel and light stands at Rs 251 in rural India and Rs 404 in urban India. This expenditure constitutes a significant portion of total MPCE, with fuel and light accounting for 6.66% in rural areas and 6.26% in urban areas. These figures highlight the substantial allocation of household budgets towards energy needs, emphasizing the importance of reliable and efficient power infrastructure to meet the growing demand for electricity in both rural and urban settings. (Source: MoSPI)

## **2.4 FDI Flow, Investment Climate and Trends in India**

**“India is one of the most attractive FDI destinations in the world today with a total FDI inflow of USD 70.95 Bn in FY'24.”**

The Government has put in place an investor friendly Foreign Direct Investment (FDI) policy under which most sectors except certain strategically important sectors are open for 100% FDI under the automatic route.

Total FDI inflows in the country in the FY'24 is USD 70.95 Bn and FDI equity inflows stands at USD 44.42 Bn. Singapore (26.6%), Mauritius (18%), USA (11.3%), Netherland (11%) and Japan (7.2%) emerge as top 5 countries for FDI equity inflows into India FY'24. (Source: Invest India)

**Top 5 sectors receiving highest FDI Equity Inflow during FY'24** are Manufacturing (20%), **Electricity and Other Energy Generation Distribution & Transmission (12%)**, Computer Services (11%), Financial Services (10%), Retail and wholesale trade (9%). (Source: Ministry of Commerce and Industry)

The positioning of power sector as the second largest recipient of FDI ensures large scale investment in power generation, transmission and distribution capacity, which will directly boost the transformer demand in the country.

## **3. Global Power Transformer Industry Snapshot**

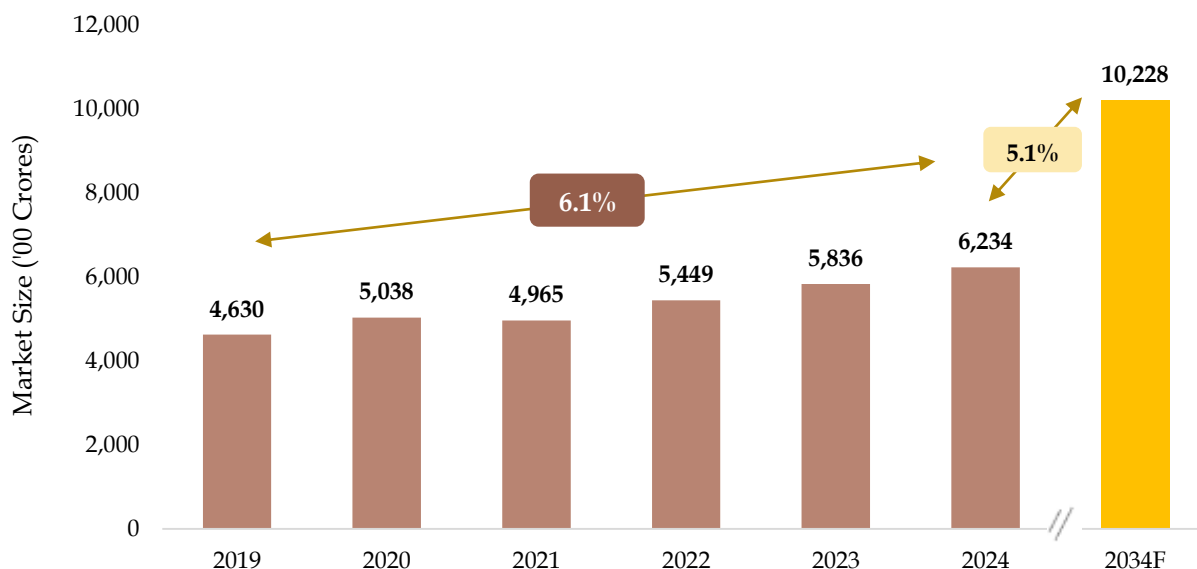
Global Power transformer market reached INR 6,233.5 hundred crores in 2024, which is expected to witness a CAGR of 5.1% from 2024 to 2034F. The expansion of market highlights the rising investments in upgrading aging electrical grids and integrating renewable energy sources into the power supply chain.

The global power transformer industry growth is driven by escalating electricity demands. Rising per capita primary energy consumption, reaching 21,393.7 kWh/person globally in 2023, underscores the need for robust power infrastructure to meet diverse energy needs. Moreover, rapid economic expansion in developing countries, coupled with infrastructure investments, and renewable energy goals are supporting the market growth. Further,



upgradation of power networks and integrating renewable sources, is boosting transformers' demand. Additionally, efforts to improve rural electrification and modernize grids are fueling growth.

### Global Power Transformer Market Size on the Basis of Value in INR Hundred Crore and CAGR (%), 2019-2024 & 2034F

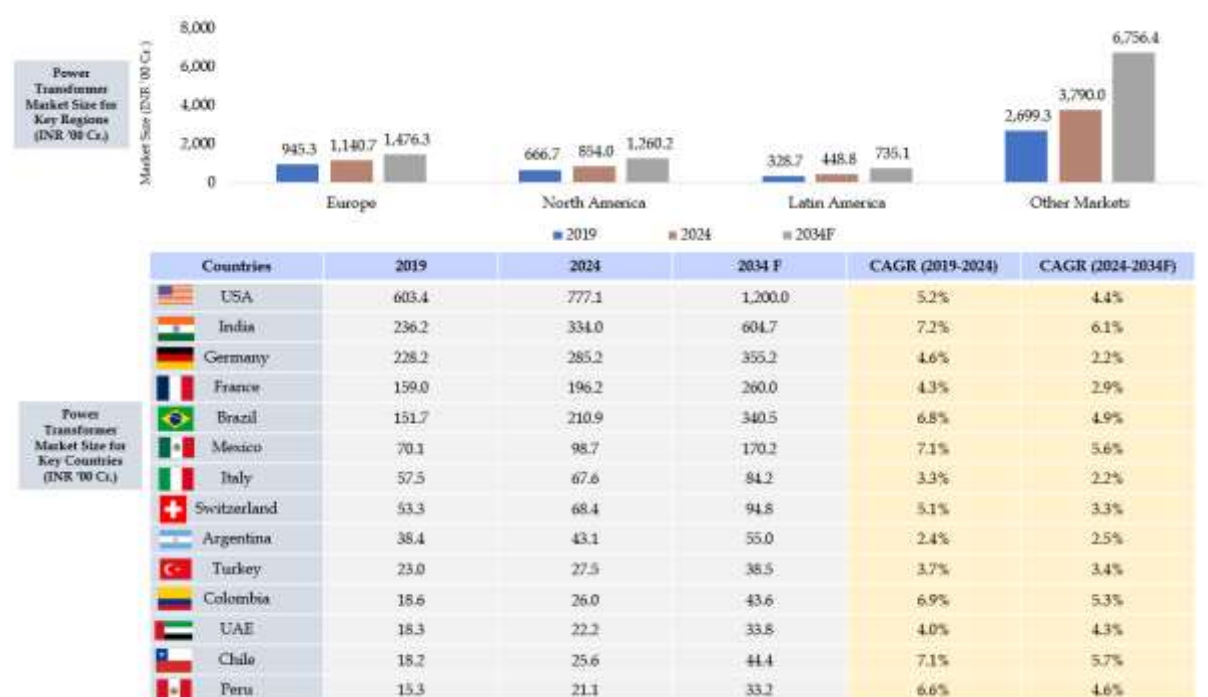


Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

### 3.1 Power Transformer Industry Overview by Key Markets – Industry Size and Growth

Among the Advanced regions of North America and Europe, USA and Germany remain as the leading markets for power transformers in the respective regions as these countries are constantly upgrading their ageing infrastructure. Moreover, extensive focus on renewable energy development are necessitating the installations of new power transformers to support the integration of these projects with the transmission networks. Further, Brazil, Mexico, remains key lucrative markets in the LATAM region.

### Global Power Transformer Market Size by Key Markets on the Basis of Revenue in INR Hundred Crore, 2019, 2024 & 2034F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

Note: Others Markets include Asia-Pacific and Middle East and Africa; North America includes USA and Canada; Europe includes Germany, France, Italy, Switzerland, UK, Spain, Portugal, Poland and other European countries; Latin America includes Brazil, Mexico, Argentina, Colombia, Chile, Peru, Uruguay, Panama and Other South and Central American countries

#### **4. Indian Power Sector Overview**

The Indian power sector is marked by a diverse mix of energy sources, with a total installed capacity of 441.97 GW in FY'24, comprising 57% from fossil fuels and 43% from non-fossil fuels. The electricity generation target for the year 2023-24 is set at 1,734.4 billion units (BU), representing a growth of around 7.2% in 2022-23.

The electricity generation target for FY'24 by different sources type includes **1,294.85 BU from Coal, 31.70 BU from Oil & Gas, 134.05 BU from Large Hydro, 47.94 BU from nuclear, and 225.83 BU from Total Renewable Energy Sources** of which (**83.39 BU from Wind, 115.98 BU from Solar and 26.47 BU from other RE sources**).

The Plant Load Factor (PLF) for FY'24 is 66.3%, with sector-wise PLFs of 70.3% for the central sector, 77.1% for the state sector, and 67.6% for the private sector. The figure mentioned below highlight the sector's robust growth and increased contribution of renewable energy sources, reflecting India's commitment to a more sustainable and diversified energy mix. Sector-wise total installed capacity (*as on 31.05.2023*) is tabulated below:

##### **Sector wise Installed capacity (GW) in India, as of 31st May 2023**

Major Sector	Installed Capacity (GW)	Installed Capacity in % of Total
Central Sector	100.1	24.0%
State Sector	105.7	25.3%
Private Sector	211.9	50.7%
<b>Total</b>	<b>417.7</b>	<b>100%</b>

Source: Ministry of Power

The sector is steadily witnessing high demand for electricity, driven by rapid industrialization, with manufacturing and infrastructure projects requiring substantial power; urbanization, as cities expand and consume more energy for residential and commercial use; and an improving standard of living, leading to increase per capita electricity consumption and greater adoption of electrical appliances and technologies.

In summary, the Indian power sector is poised for significant growth and transformation, driven by increasing demand, government initiatives, and technological advancements. While challenges remain, the sector's robust investment landscape and policy support provide a strong foundation for future development and sustainability.

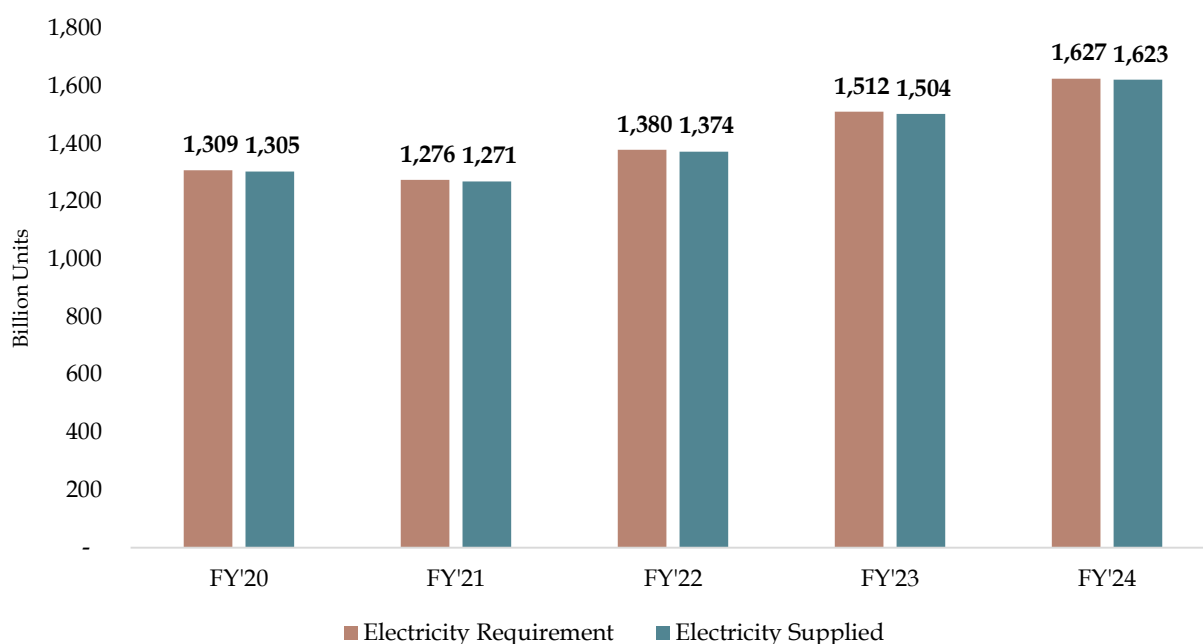
#### **4.1 India Electricity Production & Consumption Gap**

***“India's electricity production and consumption gap has significantly narrowed over the years, reflecting the country's concerted efforts to enhance its power infrastructure.”***

In FY'2023, the gap between energy requirement and energy supplied is a mere 0.3%, primarily due to system constraints or financial issues faced by some DISCOMs. The gap between peak demand and peak supply stands at 1.4%, a marked improvement from the 4.5% gap in FY'14 when the demand was 136 GW. This progress underscores India's commitment to ensuring a more reliable electricity supply to meet growing demand.

From FY'20 to FY'24, the electricity requirement has steadily increased from 1309 BU to 1627 BU, with the electricity supplied closely following, rising from 1305 BU to 1623 BU. This trend highlights the effective management and expansion of India's power sector, aligning supply closely with demand and ensuring a more stable and dependable electricity network.

## Electricity Requirement and Electricity Supplied in India (in Billion Units), FY'20-FY'24



Source: India Climate & Energy Dashboard, Niti Aayog

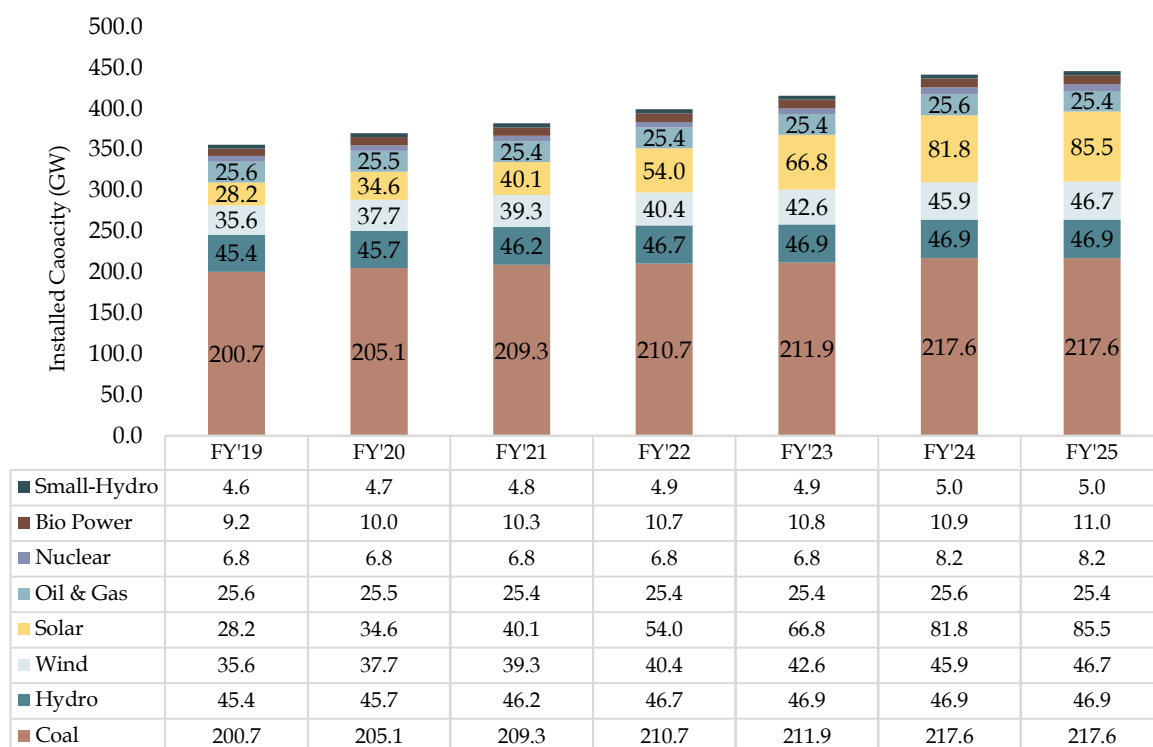
As of FY'23, the gap between electricity supplied falling short of the overall requirement. Several factors contribute to this production-consumption gap:

- **Rapid Demand Growth:** The number of electricity consumers surged from 23.91 crore in FY'16 to 33.24 crore in FY'23. This exponential increase, driven by industrialization, urbanization, and rural electrification, drawing higher demand for electricity.
- **Distribution Inefficiencies:** The financial health of DISCOMs has been a long-standing issue, with cumulative losses increasing from ₹38,213.3 crore in 2015-16 to ₹56,037.0 crore in 2022-23. High transmission and distribution (T&D) losses, power theft, and poor billing and collection efficiencies exacerbate the gap.
- **Dependence on Thermal Power:** A significant portion of India's electricity generation comes from coal, which, despite being reliable, is subject to supply chain disruptions and environmental concerns. In FY'23, coal-based generation accounted for 75% of the total electricity generated, indicating a heavy reliance on this resource.
- **Renewable Energy Integration:** While India has significantly increased its solar capacity from 7,124 MW in 2015-16 to 81,814 MW in 2023-24, the intermittent nature of renewables, dependent on weather conditions and subject to fluctuations, makes them less reliable for meeting overall electricity demand consistently. Additionally, challenges in grid integration and the need for advanced storage solutions further limit their ability to serve as the primary power source.
- **Infrastructure Bottlenecks:** Despite increasing generation capacities, infrastructure limitations in transmission and distribution networks hinder the efficient transfer of electricity from generation points to consumption areas. Upgrades in grid infrastructure and investment in smart grid technologies are crucial to bridging this gap.
- **Policy and Regulatory Hurdles:** The power sector is heavily regulated, marked with policy inconsistencies. Reforms aimed at improving the financial stability of DISCOMs, such as the UDAY scheme, are trying to address such structural issues but with low success rate for now.

## 4.2 India Power Installed Capacity and Its Augmentation

In FY'24, India's total installed capacity reached 441.97 GW, with coal's share decreasing to 49.2%, while solar significantly increased to 18.5% by FY'24, Hydro maintained a steady contribution at 10.6%, and wind at 10.4%. Oil and gas, bio power, nuclear, and small-hydro each will contribute smaller but stable shares, ranging from 1% to 6%. In FY'19, the total installed capacity was 356.1 GW, with coal contributing 55.4%, hydro 12.3%, solar 9.4%, and wind 10.2%. This shift reflects India's commitment to increasing renewable energy sources, particularly solar, while maintaining a balanced energy mix to meet growing electricity demands.

### India Electricity Installed Capacity in GW, FY'20-FY'25



Source: India Climate & Energy Dashboard, Niti Aayog

**Outlook:** India's electricity sector is poised for significant augmentation in installed capacity and consumption over the coming years.

- According to the 20th Electric Power Survey of India, energy consumption is projected to rise from 1416 MU in FY'25 to 2133 MU in FY'32, reflecting a steady increase in demand.
- Energy requirements are expected to grow from 1695 MU in FY'25 to 2474 MU in FY'32, indicating a robust expansion in power needs
- Transmission and distribution (T&D) losses are projected to decrease from 16.4% in FY'25 to 13.8% in FY'32, signifying improvements in grid efficiency.

These projections underscore India's commitment to enhancing its power infrastructure to meet the escalating demand for electricity while improving overall grid performance.

## Energy Augmentation Projections in India (Billion Units), FY'25F-FY'32F

Parameter	FY'25F	FY'26F	FY'27F	FY'28F	FY'29F	FY'30F	FY'31F	FY'32F
Energy Consumption (BU)	1416	1509	1610	1713	1821	1949	2042	2133
Energy Requirement (BU)	1695	1797	1908	2021	2139	2280	2378	2474
Peak Demand GW)	245	260	277	295	213	335	351	366
T&D Loss (%)	16.4%	16.0%	15.6%	15.2%	14.9%	14.5%	14.1%	13.8%
Annual Load Factor (%)	79.1%	78.9%	78.6%	78.3%	78.0%	77.7%	77.4%	77.1%

Source: India Climate & Energy Dashboard, Niti Aayog

Note: F mentioned towards the end of Financial Year (FY) stands for forecasted year

### **4.3 Factor influencing Power Demand**

#### Key Factors Influencing Power Demand in India

Key Factor	Description
Population Growth	<ul style="list-style-type: none"> <li>India's population, projected to reach 1.5 billion by 2027, boosts residential electricity demand.</li> </ul>
Rapid Urbanization	<ul style="list-style-type: none"> <li>Rapid urbanization, with 40% of the population in urban areas by 2030, increases power density and consumption.</li> </ul>
Growing Industrialization	<ul style="list-style-type: none"> <li>Growth of manufacturing industries under 'Make in India' is driving industrial power demand. Fitch Ratings anticipating a 7% increase in India's power demand in FY'24.</li> </ul>
Electrification of Transport	<ul style="list-style-type: none"> <li>Policies promoting electric vehicles (EVs) significantly impact power demand.</li> </ul>
Renewable Energy Integration	<ul style="list-style-type: none"> <li>Commitment to 500 GW of renewable energy by 2031-32 influences power demand patterns and grid management.</li> </ul>
Implementation of Energy Efficiency Measures	<ul style="list-style-type: none"> <li>Schemes like UJALA and PAT help moderate demand growth by reducing energy intensity.</li> </ul>
Temperature Variations	<ul style="list-style-type: none"> <li>Seasonal and climatic variations affect power demand, with higher temperatures increasing cooling appliance usage.</li> </ul>

Source: World Bank, Niti Aayog, Fitch, Ministry of Power, Ken Research Analysis

### **4.4 Government allocated budget and policy support**

The Indian government's budget for the power sector in 2024-2025 focuses on targeted investment, with the government channeling funds towards specific areas deemed crucial for the sector's sustainable growth and transformation.

A deeper dive into the budget allocation for economic services related to power reveals that overall expenditure in this category which has reached INR 17,328.98 crores in 2024-2025. This is indicative of the government's intent to bolster the power sector's contribution to the broader economy.

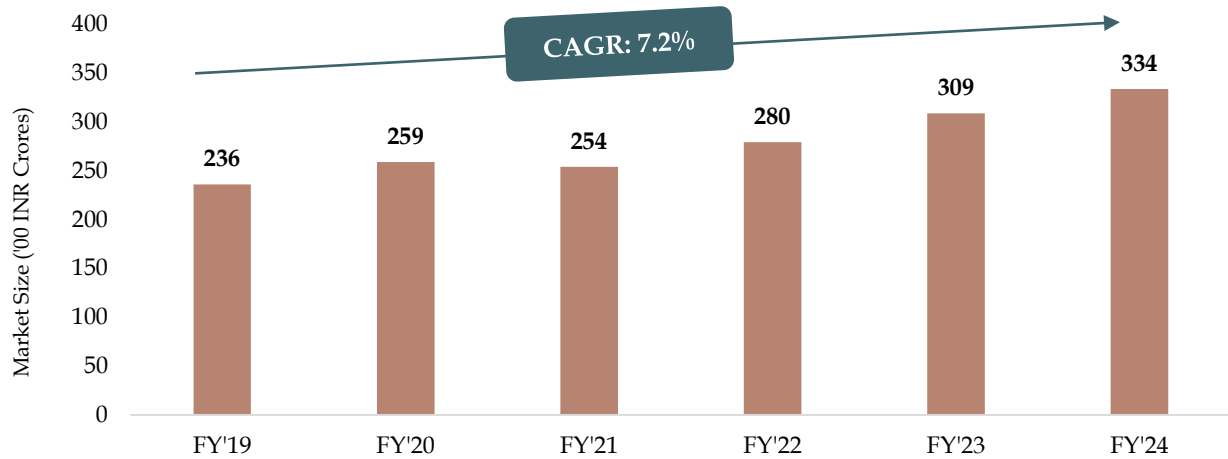
- Within this category, there is a significant focus on allocation of INR 3,173.02 Cr in 2024-25 for the North Eastern Areas
- The budget also reflects a strategic focus on hydropower development, as evidenced by the substantial investments in various hydropower corporations.
- The budget for the Power Grid Corporation of India Limited (PGCIL) allocation of INR 12,250 Cr in 2024-25, aligning with the government's focus on strengthening the transmission and distribution infrastructure.

#### **4.5 Indian Power Transformer Industry Overview – Industry Size and Growth**

The power transformer market in India has grown from INR 236.2 hundred crores in FY'19, reaching INR 334.0 hundred crores in FY'24. This growth is primarily fueled by the government's aggressive push towards electrification and renewable energy integration, alongside the modernization of aging power systems. Additionally, India's commitment to renewable energy necessitates a robust grid infrastructure capable of integrating intermittent sources like solar and wind, driving the demand for both traditional and smart transformers.

The Indian transformer industry is also witnessing significant technological advancements. The integration of digital solutions enables enhanced monitoring and maintenance capabilities, improving the reliability and efficiency of power distribution.

#### **India Power Transformer Market Size on the Basis of Revenue in Hundred INR Crores, FY'19 - FY'24**



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

#### **4.6 Leading Bushing Technology**

##### **Comparison of Leading Bushing Technology**

Bushing Technology	Main Voltage Application	Benefits	Limitations
OIP	Upto 1200kV	Long-standing reliability, suitable for high voltages up to 800Kv	Risk of failures, requires continual improvements in oil quality
RIP	Upto 800kV	Solid insulation without oil complications, improved PD performance	Limited to lower voltage applications compared to OIP
RIS	36kV upto 400kV	Enhanced insulation properties, improved durability, lightweight, maintenance-free	Higher cost, thermal management challenges, limited long-term data
RIF/RIG	Upto 145 KV	High mechanical strength, excellent insulation, moisture and chemical resistance, maintenance-free	Higher cost, lower thermal conductivity, brittleness

<b>Epoxy Resin</b>	Upto 145 KV	Robust and maintenance-free, excellent electrical and mechanical properties	Higher initial cost, potential for cracking under extreme conditions
<b>Oil Communicating</b>	Upto 52kV	Cost-effective, effective mechanical strength	Requires regular monitoring and maintenance, risk of oil leaks

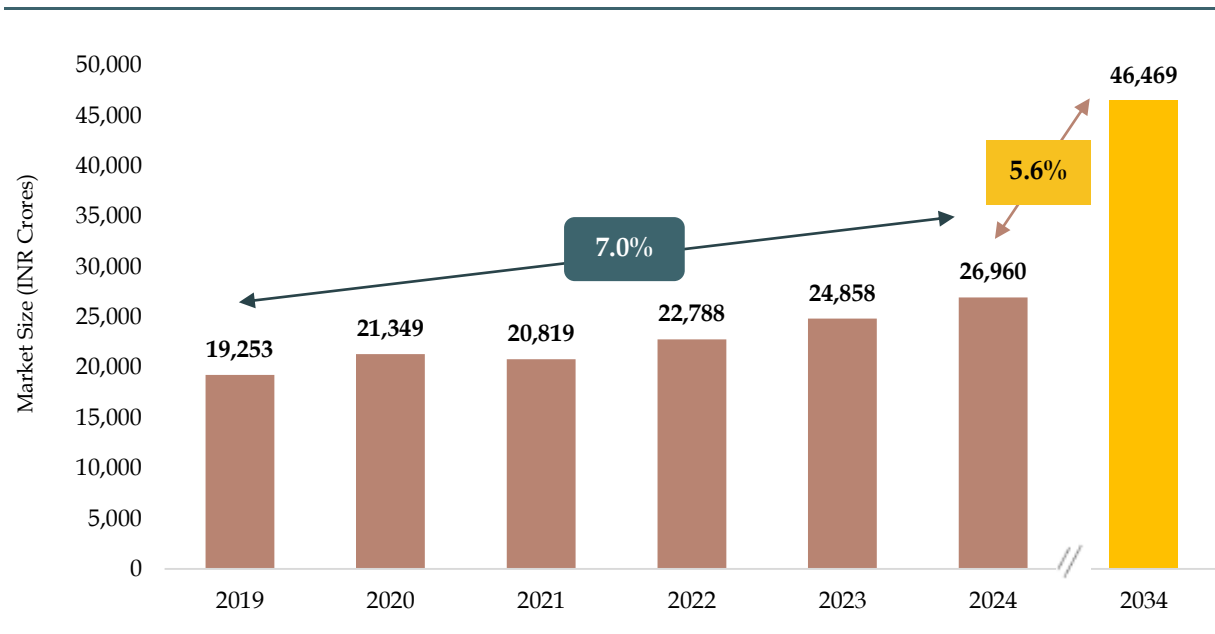
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

## 5. Market Analysis

### 5.1 Global Transformers Bushing Market Size, 2019-2024 & 2034F

Global transformer bushing market was valued at INR 26,960 crores, and is expected witness a CAGR of 5.6% during 2024-2034F. The global shift towards the development of new renewable energy projects, large scale implementation of smart grids across several countries, and modernization power distribution network will surge the demand for transformer bushing used as a critical component of transformers during the commissioning of projects.

#### Global Transformers Bushing Market Size on the Basis of Revenue in INR Core and CAGR, 2019-2024 & 2034F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

### 5.2 Global Transformers Bushing Market Size by Key Regions, 2019, 2024 & 2034F

Globally, The transformer bushings market is expected to witness a significant growth, owing to power capacity installation and upgradation across emerging and advanced regions.

**In North America, USA remains as the most lucrative market for transformer bushings**, which is expected to witness a CAGR of 5.2% during 2024-2034F. In the USA, the aging power infrastructure is a key driver, with a surge in investments aimed at upgrading and modernizing the electric grid. The push towards renewable energy integration, coupled with increasing electrification, has created a demand for high-performance transformer bushings in the country.

**In Europe, Germany, is the leading transformer bushing market**, valuing at INR 1,105.1 crores. The country is at the forefront of the energy transition, led to by construction of new power plants and the expansion of the



grid, necessitating advanced transformer bushings capable of handling the demands of a more decentralized and variable energy supply.

**In Latin America (LATAM), Brazil is the largest market for transformer bushings**, fueled by the country's rapid urbanization and industrialization, which have led to a rising demand for electricity. The government's focus on expanding the power grid to remote and underserved areas, along with investments in renewable energy projects, particularly hydropower, is propelling the need for durable and efficient transformer bushings.

### Global Transformer Bushing Market Size by Key Regions on the Basis of Revenue in INR Crore, 2019, 2024 & 2034F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

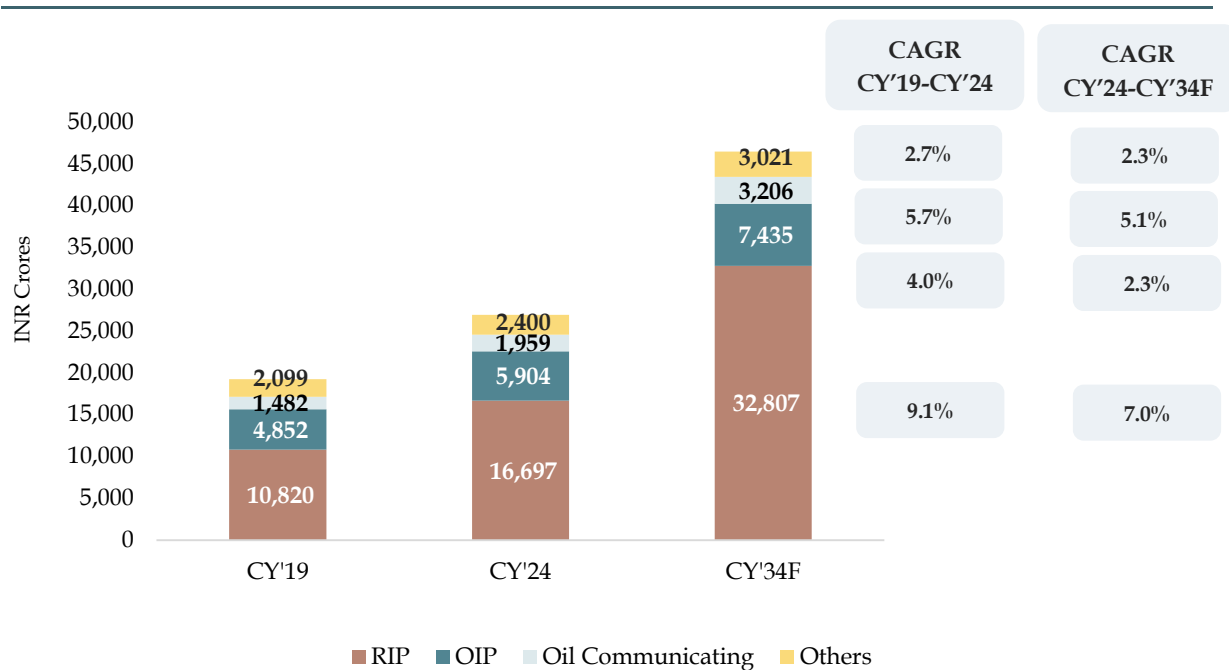
Note: Others Markets include Asia-Pacific and Middle East and Africa; North America includes USA and Canada; Europe includes Germany, France, Italy, Switzerland, UK, Spain, Portugal, Poland and other European countries; Latin America includes Brazil, Mexico, Argentina, Colombia, Chile, Peru, Uruguay, Panama and Other South and Central American countries

### 5.3 Global Transformer Bushing Market Size by Insulation Type, CY'19, CY'24 & CY'34F

As of CY' 24, RIP is the most prominent form of bushing type, accounting for a share of 61.9% revenue share in the global transformer bushing market. The rising demand for RIP bushings is mainly attributed to higher customer preference to RIP bushings. RIP bushings are designed to be oil-free, significantly reducing the risk of leaks and fire hazards. Moreover, the solid insulation structure of RIP bushings also provides excellent mechanical strength and resistance to environmental factors, such as moisture and pollution, further extending their lifespan and performance in harsh conditions. Owing to these benefits, the demand for RIP bushings will continue to escalate, with its revenue contribution reaching 70.6% of the global transformer bushing market by CY'34F. Moreover, OIP bushings will remain as the second leading bushing type which will continue to show steady growth at a CAGR of 2.3% with revenue contribution rising from 5,904 Crores in 2024 to 7,435 Crores in 2034F.



## Global Transformer Bushing Market Segmentation by Insulation Type on the basis of Revenue in INR Cr, CY'19, CY'24 & CY'34F



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

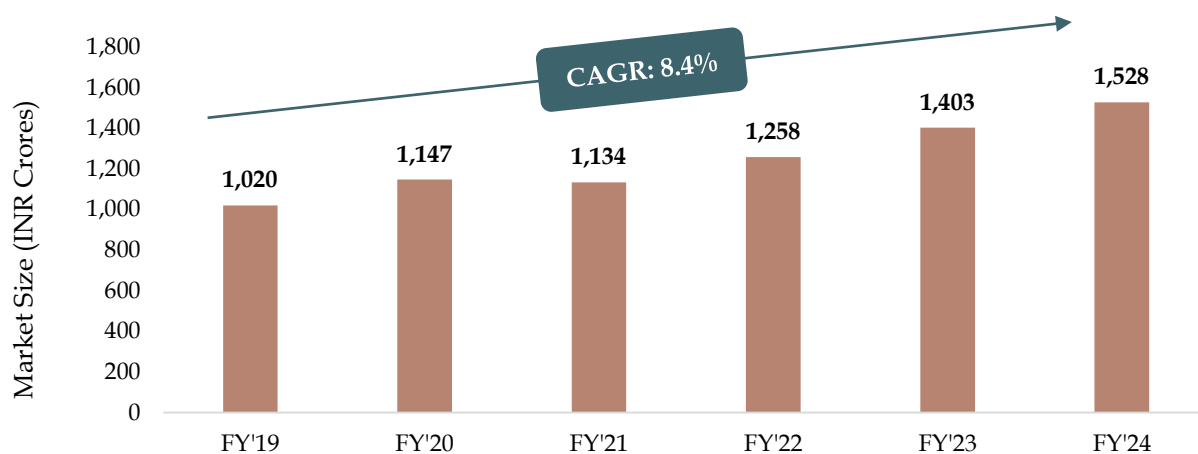
Notes: Others include Oil-Oil bushings for cable box applications, Oil-SF6 bushings for GIS applications, Metal Bushings; CY refers to calendar year ending December

### 5.4 Indian Transformers Bushing Market Size, FY'19-FY'24

The Indian transformer bushing market has witnessed steady growth, with the market size increasing from INR 1020.4 crore in FY'19 to INR 1,528.2 crore by FY'24.

This growth is driven by several key factors. Firstly, the government's aggressive push towards electrification and renewable energy integration has significantly boosted demand. Initiatives like the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and the Integrated Power Development Scheme (IPDS) have enhanced the transmission and distribution network, necessitating more transformer bushings. Additionally, the modernization of aging power systems and the increasing demand for electricity due to urbanization and industrialization have contributed to market growth. The market also benefits from technological advancements, with smart transformers and advanced monitoring systems becoming more prevalent.

#### India Transformer Bushing Market Size on the Basis of Revenue in INR Crore, FY'19-FY'24



## 5.5 Market Segmentation of India Transformer Bushing Market, FY'19 & FY'24

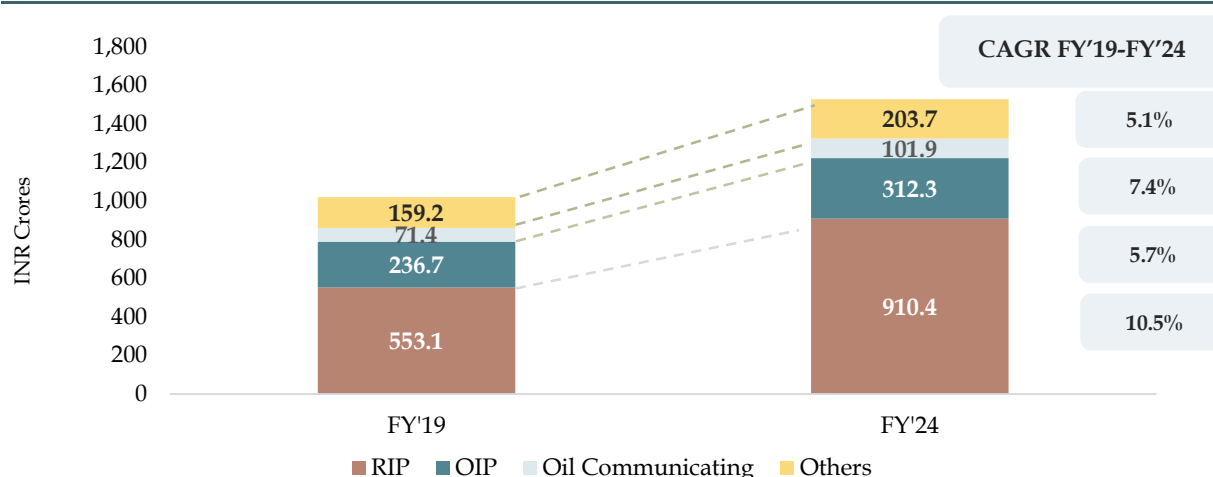
### By Insulation Type (FY'19 & FY'24):

**Market Segmentation by RIP insulation accounts for the highest revenue share and stands first in terms of growth, with its market share increasing from 54.2% in FY'19 to 59.6% by FY'24.** This growth can be attributed to the several advantages offered by RIP insulation. RIP bushings have been consistently replacing OIP bushings as they are more compact and lighter than OIP insulation, making it suitable for use in space-constrained applications. Furthermore, the resin used in RIP insulation is maintenance-free, with less chances of leakages.

**In FY'24, OIP insulation ranks second in terms of revenue share at 20.4%, declining from 23.2% in FY'19.** The second largest share is attributed to its high dielectric strength, high thermal conductivity, resistance to moisture and chemical attacks and low cost. However, the decline in its share is due to high maintenance requirements, which can be time-consuming. Additionally, the use of oil raises environmental concerns due to the risk of oil leaks and the disposal of used oil. including.

**The 'Others' category, which include Oil-Oil bushings for cable box applications, Oil-SF6 bushings for GIS applications, Metal Bushings, has maintained a market share estimated at 13.3% by FY'24.** These insulation types offer a balance between performance and cost. They are generally more resistant to moisture and chemical attacks compared to paper-based insulation and offer good dielectric strength and thermal conductivity.

### India Transformer Bushing Market Segmentation by Insulation Type on the basis of Revenue in INR Cr, FY'19 & FY'24



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

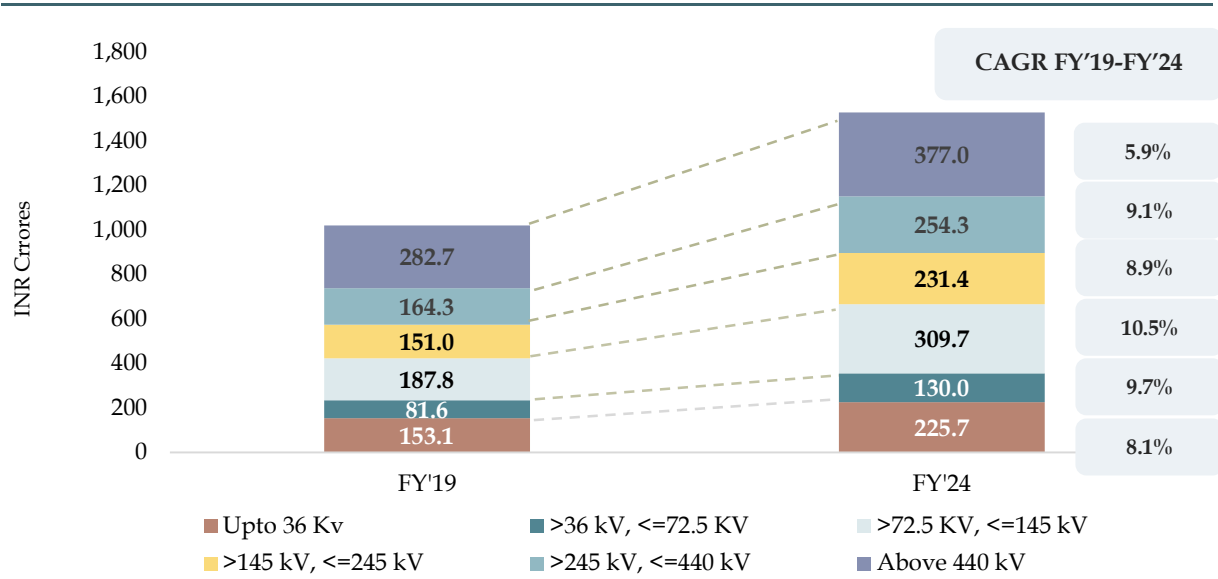
Notes: Others include Oil-Oil bushings for cable box applications, Oil-SF6 bushings for GIS applications, Metal Bushings; FY refers to financial year ending March

### By Voltage Range (FY'19 & FY'24):

In FY'19, Above 440 kV voltage range is the leading voltage range primarily due to its high prices and its wide adoption in Ultra-High Voltage Transmission Systems, UHV bushings used in substations, power plants, large scale industries dependent on UHV equipment.

>72.5 kV, <145 kV range is the fastest growing voltage range during FY'19 to FY'24, owing to their owing to their application including high-voltage substations, generators to the high-voltage transmission network, high-voltage transmission lines, HVDC converter stations and grid interties.

## India Transformer Bushing Market Segmentation by Voltage Range on the Basis of Revenue in INR Cr, FY'19 & FY'24



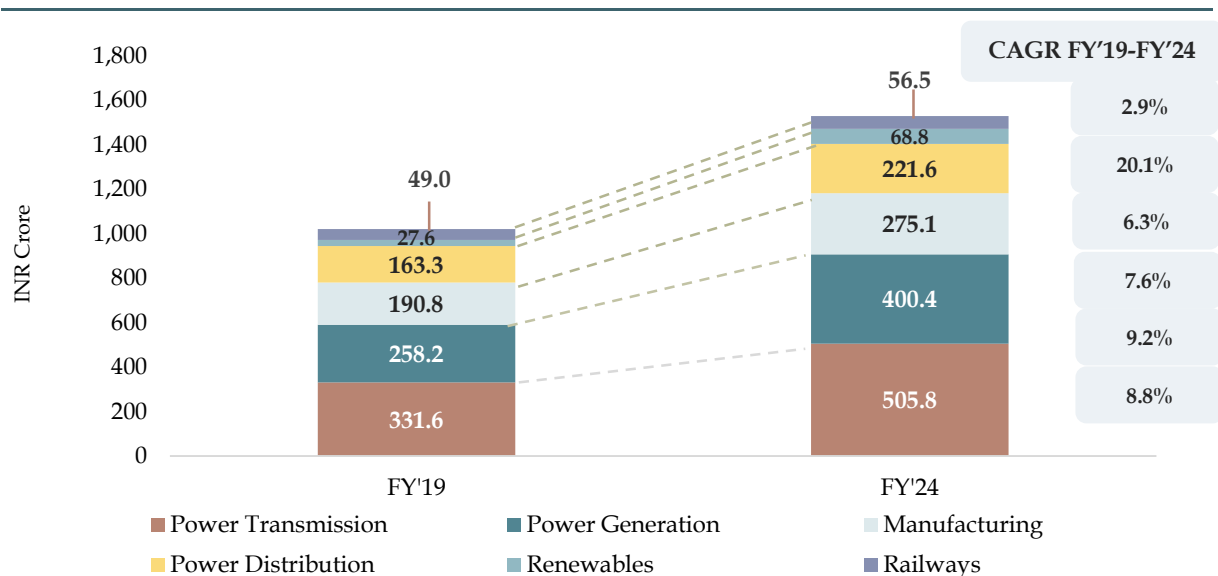
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

### By Application Usage (FY'19 & FY'24):

In FY'19, Power Transmission has emerged as the largest segment, which has consistently shown robust growth, expanding at a CAGR of 8.8% for the period FY'19-FY'24, reflecting steady and sustained demand. Transformer bushings in the Power Transmission segment are critical components used in high voltage transmission lines and substations, ensuring reliable and efficient transfer of electricity over long distances.

Meanwhile, the Renewable segment stands out as the fastest-growing segment. Transformer bushings in renewable power are pivotal in ensuring the reliability and efficiency of power plants, including traditional thermal plants, hydroelectric plants, and increasingly significant renewable energy sources like wind and solar farms.

## India Transformer Bushing Market Segmentation by Application Usage on the Basis of Value in INR Cr, FY'19 & FY'24



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

Note: In Renewables, transformer bushings are used in step-up transformers, onshore and off-shore substations, etc.

## **5.6 Technological Landscape: OIP, RIP, RIS, & RIF/RIG technologies - Their Advantages and disadvantages**

The primary technologies used in transformer bushings are OIP, RIP, RIS, and RIF/RIG, each with its own advantages and disadvantages. Understanding these differences is crucial for selecting the right bushing for specific applications. Below is a comparison of the most common bushing technologies:

### **Advantages and Disadvantages by Bushing Technology Type**

<b>Technology Type</b>	<b>Advantages</b>	<b>Disadvantages</b>
<b>Oil Impregnated Paper (OIP)</b>	<ul style="list-style-type: none"> <li>• High Dielectric Strength</li> <li>• Thermal Conductivity</li> <li>• Proven Technology</li> <li>• 4. Cost-Effective</li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance Requirements</li> <li>• Environmental Concerns</li> <li>• Aging and Moisture Absorption</li> <li>• Fire Hazard</li> </ul>
<b>Resin Impregnated Paper (RIP)</b>	<ul style="list-style-type: none"> <li>• Maintenance-Free</li> <li>• Moisture Resistance</li> <li>• High Mechanical Strength</li> <li>• 4. Environmental Benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Higher Initial Cost</li> <li>• Thermal Conductivity</li> <li>• Brittleness</li> </ul>
<b>Resin Impregnated Synthetic (RIS)</b>	<ul style="list-style-type: none"> <li>• Enhanced Insulation Properties</li> <li>• Improved Durability</li> <li>• Lightweight</li> <li>• Maintenance-Free</li> </ul>	<ul style="list-style-type: none"> <li>• Cost</li> <li>• Thermal Management</li> <li>• Limited Long-Term Data</li> </ul>
<b>Resin Impregnated Fiberglass/Glass (RIF/RIG)</b>	<ul style="list-style-type: none"> <li>• High Mechanical Strength</li> <li>• Excellent Insulation</li> <li>• Moisture and Chemical Resistance</li> <li>• Maintenance-Free</li> </ul>	<ul style="list-style-type: none"> <li>• Cost</li> <li>• Thermal Conductivity</li> <li>• Brittleness</li> </ul>

Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

## **5.7 Key Utility Players and Bushing Technology Preferences**

### **Key Utility Players: Transmission & Distribution Sector**

*“In India, Power Grid Corporation of India Limited (PGCIL) stands out as a major player for major demand for transformer bushings”*

PGCIL operates extensive high-voltage transmission lines and substations across the country. Alongside PGCIL, state transmission companies also significantly contribute to the power transformer demand. The combined efforts of PGCIL and state transmission companies play critical role in maintaining and upgrading the transmission infrastructure in India.

As of FY’23, the top state transmission utility players are:

- Maharashtra State Electricity Transmission Company Limited (MSETCL)

- Gujarat Energy Transmission Corporation Limited (GETCO)
- Uttar Pradesh Power Transmission Corporation Limited (UPPTCL)
- Tamil Nadu Transmission Corporation Limited (TANTRANSCO)
- Karnataka Power Transmission Corporation Limited (KPTCL)
- Haryana Vidyut Prasaran Nigam Limited (HVPNL)
- Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPNL)
- Telangana State Transmission Corporation (TSTRANSCO)
- Madhya Pradesh Power Transmission Company Limited (MPPTCL)

**“In the distribution sector, state distribution companies (DISCOMs) are the primary players driving the demand for transformer bushings”**

As of FY’23, the top utility players (by electricity sales) are:

- Maharashtra State Electricity Distribution Company Limited (MSEDCL)
- Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO)
- Punjab State Power Corporation Limited (PSPCL)
- Telangana State Southern Power Distribution Company Limited (TSSPDCL)
- West Bengal State Electricity Distribution Company Limited (WBSEDCL)
- Pashchimanchal Vidyut Vitran Nigam Ltd (PVVNL)
- Paschim Gujarat Vij Company Limited (PGVCL)
- Dakshin Haryana Bijli Vitran Nigam (DHBVN)
- Bangalore Electricity Supply Company Limited (BESCOM)
- Jaipur Vidyut Vitran Nigam Limited (JVVNL)

#### **Bushing Technology Preference by Utility Players**

***“Most central utilities, state utilities, and private EPC developers have shifted towards Resin Impregnated Paper (RIP) bushings for their requirements up to 420 kV”***

The shift is driven by RIP bushings' superior performance, enhanced safety features, and lower maintenance needs compared to the traditionally preferred Oil Impregnated Paper (OIP) bushings. However, despite the advantages, there is some hesitation among players due to the higher cost of RIP bushings and concerns about reliability on manufacturers. Consequently, while RIP technology is gaining traction, the industry still exhibits a degree of caution, with many continuing to use OIP bushings. This cautious adoption reflects the balancing act between embracing advanced technologies and managing costs.

#### **Repair and Maintenance Budget of Key Utility Players**

In FY’23, PGCIL's expenses on repair and maintenance totaled INR 705.7 crore. This included:

- *INR 400.83 crore for substation repairs*
- *INR 192.08 crore for transmission lines*
- *INR 59.37 crore for telecom equipment*
- *INR 53.38 crore for other miscellaneous repairs*

In case of DISCOMs, they typically allocate around 1-2% of their budget for maintenance and repair activities.

#### **Key Transformer OEM Suppliers**

Key transformer OEM suppliers in India are BHEL, CG Power & Industrial Solutions, GE Vernova, Hitachi Energy, Siemens Ltd, Transformer and Rectifiers India, and Toshiba among others.

## **6. Supply Chain Analysis**

### **6.1 Overview of Supply Chain for Bushing Components**

The supply of bushing components in India is largely met through domestic suppliers owing to years of expertise gained by local players. Presently, roughly 90% of the content used in today’s OIP bushings is produced within India, while 20 - 50% content used in RIP bushings produced in the country, is procured domestically. However, certain proportion of bushing components is met through imports as well. The foreign suppliers possess years of

expertise to produce high quality bushing components mainly RIP bushing components along with conducting tubes, epoxy resin, flange, among others.

### **Trade Scenario of Transformer Bushings of India With Europe**

In 2023, India's bushing imports of transformer bushings from the world stood at INR 473.4 crores. European companies, particularly from Germany, Sweden, Switzerland, France, Italy lead the exports of bushings to India owing to their advanced manufacturing technology and assurance to high-technical standards. However, owing to robust expansion in India's domestic manufacturing, a downward trend in the bushing import is being witnessed from Europe as and other regions. This trend will continue to remain in future with anticipated future collaborations (such as Joint-ventures) boosting the bushing manufacturing in India.

India's Import of Bushings from top European Countries & World on the Basis of Revenue in INR Crore, 2019 - 2023

Major Countries	2019	2020	2021	2022	2023
Germany	131.5	62.4	143.8	85.1	86.2
Sweden	160.2	70.5	87.7	168.8	29.0
Switzerland	17.0	10.5	11.5	4.6	25.1
France	4.2	8.8	9.2	15.3	18.8
Italy	14.5	23.6	20.4	18.1	18.6
Others	512.8	366.9	410.5	414.6	295.7
<b>World (Total)</b>	<b>840.1</b>	<b>542.7</b>	<b>683.1</b>	<b>706.5</b>	<b>473.4</b>

Source: Trade Map, Ken Research Analysis

Note 1: HS Code referred for import data of bushings is 85049010 which includes parts of electrical transformers and inductors

Note 2: Others includes China, Singapore, Japan, Indonesia, Estonia, etc.

Data is for calendar year ending December

## **7. Key Growth Drivers**

### **7.1 Power Generation Capacity augmentation and Power T&D Infrastructure Expansion**

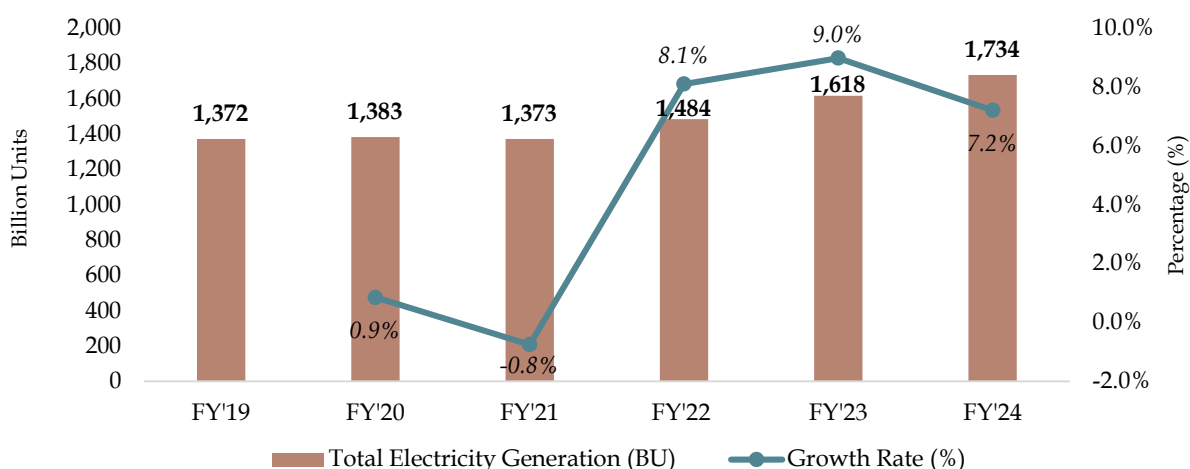
#### **Power Generation Scenario in India:**

In FY'24, the power generation target has been set around 1,734.4 billion units (BU) representing a growth of around 7.2% in FY'23.

Whereas, the current total installed generation capacity is 441.97 GW in FY'24. Coal-based power plants have been the largest contributor to the power generation owing to their high plant load factor (PLF), however, renewable energy is fast emerging as a key generation source.

Initiatives like the National Solar Mission, Generation based incentives for wind, dedicated biomass programs in renewable energy sector and policies promoting the development of ultra-mega power projects (UMPPs) in conventional power sector are driving this growth. Additionally, schemes like Saubhagya Yojana - universal household electrification are increasing the need for power generation in India.

## India's Total Power Generation in Billion Units and Growth Rate (in %), FY'19 - FY'24



Source: Ministry of Power – Government of India

The electricity generation target (Including RE) for FY'24 is fixed to 1734.4 billion Unit as India has set ambitious targets to boost its power generation capacity. By FY'32, the total non-fossil-fuel-based (renewable energy) is expected to reach 500 GW while thermal power capacity is expected to stand at 283 GW.

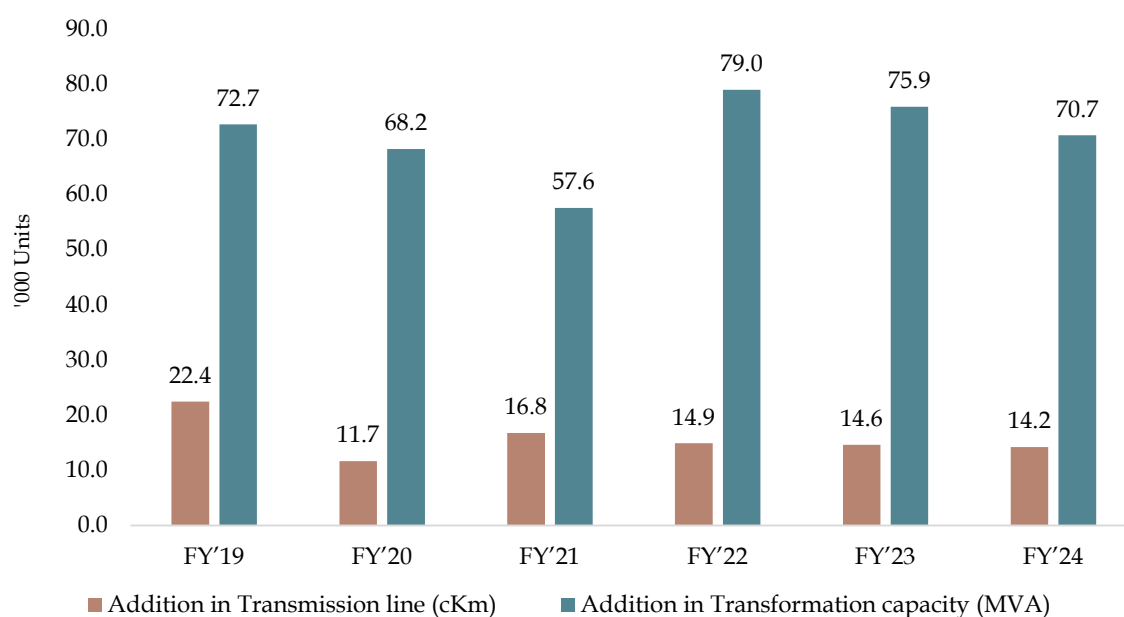
### India Power Transmission Scenario:

By January 31, 2024, power transmission network in the country reached ~4,81,326 circuit kilometers (ckm) and 12,25,260 megavolt-amperes (MVA) transformation capacity. Moreover, by January 2024, inter-regional capacity surged to 1,16,540 megawatts (MW) witnessing a growth of 224%, since 2014. Key policies like **Green Energy Corridor** and the **National Smart Grid Mission** have been key drivers for this growth.

- *The Green Energy Corridor has enabled efficient transfer of renewable power across regions.*
- *National Smart Grid Mission has improved reliability and resilience.*

**Prospects of Power Transmission:** India future policies in the transmission sector will focus on developing high-voltage direct current (HVDC) systems and interstate transmission systems (ISTS).

## India Power Transmission Network Line Addition (in Thousand ckm & Thousand MVA), FY'19 to FY'24



Source: Ministry of Power – Government of India

### India Power Distribution Scenario:

India's power distribution sector has seen notable changes from FY'19 to FY'24 as the power requirement and availability have evolved during this period, marked by persistent deficits, have started to narrow down in the recent years. As per Ministry of Power-India, the power deficit was around 0.6% in FY'19, which gradually decreased to approximately 0.2% by FY'24. Following key policies have been central to these improvements:

- **The Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and the Integrated Power Development Scheme (IPDS) have focused on improving infrastructure and reducing losses.**
- **The Ujjwal Discom Assurance Yojana (UDAY) has addressed financial challenges faced by distribution companies (DISCOMs).**

### Prospects of Power Distribution:

Revamped Distribution Sector Scheme (RDSS) aims to further enhance the sector with a substantial investment of INR 3,03,758 crores, including a central government grant of INR 97,631 crores. The scheme targets reducing Aggregate Technical & Commercial (AT&C) losses to 12-15% and closing the gap between the cost of power supply and revenue by FY'25. Future developments will include smart metering and advanced distribution systems, supporting a more efficient and reliable power distribution network to meet India's growing energy demands.

## India Yearly and Peak Electricity Distribution (GW) Scenario, FY'19 to FY'24

Year	Yearly Electricity Distribution			Peak Electricity Distribution		
	Requirement (BU)	Availability (BU)	Surplus/Deficit (BU)	Peak Demand (GW)	Peak Met (GW)	Surplus/Deficits (GW)
FY'19	1,274.6	1,267.5	-7.07	177.0	175.5	-1.49
FY'20	1,291.0	1,284.4	-6.566	183.8	182.5	-1.27
FY'21	1,275.5	1,270.7	-4.871	190.2	189.4	-0.80
FY'22	1,379.8	1,374.0	-5.787	203.0	200.5	-2.48



<b>FY'23</b>	1,511.8	1,504.3	-7.583	215.9	207.2	-8.66
<b>FY'24</b>	267.0	266.4	-0.591	221.4	221.3	-0.02

Source: Ministry of Power – Government of India

The expansion of India's power generation, transmission, and distribution networks will boost the demand for transformers, designed to efficiently step up and down voltages across these networks. As more renewable energy sources and high-voltage systems are integrated into the grid, the need for specialized transformers to handle diverse energy inputs and outputs will grow. Consequently, the transformer bushing industry will be directly benefited, as bushings form a critical component of transformers.

## **7.2 Rural Electricity Infrastructure and Rural Household Electrification**

The Government of India has made significant with initiatives like Deen Dayal Gram Jyoti Yojana and SAUBHAGYA Yojana, aimed to enhance electricity access in underserved areas.

- **Under the Deen Dayal Gram Jyoti Yojana**, the government has successfully electrified 18,374 villages, with 2,763 of these receiving power through renewable resources. This effort underscores a commitment to sustainable energy solutions in rural regions.
- **Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)** was launched to achieve universal household electrification. This ambitious scheme has brought electricity to 2.86 crore households across the country, with all states confirming the completion of this target.
- **To address any remaining gaps**, the central government is now focusing on households that were missed under SAUBHAGYA through the **Revamped Distribution Sector Scheme (RDSS)**. This ongoing scheme supports states in their efforts to electrify these missed households. Additionally, the RDSS provides funding for on-grid electricity connections for Particularly Vulnerable Tribal Groups (PVTG) households under the PM-JANMAN initiative.
- Further, the government introduced a new solar power scheme specifically for PVTG habitations. The PM-JANMAN scheme targets the electrification of un-electrified PVTG households through off-grid solar systems. With a financial outlay of Rs. 515 crores, this scheme aims to bridge the electricity access gap in the most remote and vulnerable tribal communities. (Source: Press Information Bureau: Government of India)

As the demand for electricity infrastructure expands to reach previously underserved areas, the need for reliable and low and high-performance transformers increases correspondingly. Transformer bushings, being a critical component in ensuring efficient and stable electrical distribution, are experiencing heightened demand to support these development schemes.

## **7.3 Impact of Technological Advancements on Demand**

The transformer industry in India is rapidly evolving with increased focus is on smart and energy efficient designs. Some of the key technological advancements witnessed in the transformer technology space include:

- **Smart Transformers:** Smart transformers offer enhanced monitoring systems, predictive maintenance capabilities, and autonomous operations. This integration allows for more effective asset management and improved stability of the power grid.
- **Energy-Efficient Designs:** The new transformer designs aim to minimize losses and enhance performance. Innovations such as amorphous core transformers, dry type transformers, and ester oil transformers are resulting in improved energy efficiency and reduced environmental impact.

**On the supply side, Bharat Heavy Electricals Ltd. (BHEL) has emerged as a pioneer in technological development of transformers in India.** In 2022, the company introduced Bus Potential Transformer Module designed for 33 kV Gas Insulated Switchgear (GIS). This module eliminates the need for a separate Potential Transformer (PT) panel in GIS switchboards. Further, the new PT Module reduces the cost by 57% and panel size and weight by 80% compared to conventional PT panels.

**On the demand side, Tata Power is leading the technological adoption**, as it commissioned India's largest natural ester filled power transformer in the Mumbai Transmission network supplied by Hitachi ABB Power Grids and Cargill. The esters composition in these transformers have high resistance to fire (350 degree Celsius) which eliminate its risk of catching fire.

The drive towards more efficient and innovative transformer solutions is encouraging the need for advanced bushing technologies that can withstand new operational conditions and performance standards.

#### **7.4 Role of Renewable Energy and Smart Grid Initiatives**

**Key Renewable Energy Initiatives in India:** Over the years, the country's renewable energy capacity has seen a steady upward trend, **culminating in a cumulative achievement of 148 GW by June 2024**. The Indian government has implemented a range of policies to promote renewable energy including National Solar Mission, which aims to establish India as a global leader in solar energy, and the Wind Energy Policy which have played crucial roles in driving growth.

**India's renewable energy targets have been equally ambitious:**

- The government set a **target of achieving 175 GW of renewable energy capacity by 2022**.
- Building on this, India aims to achieve **500 GW of renewable energy capacity by 2031-32**.
- Further, the **National Green Hydrogen Mission** aims to achieve the production of **5 million metric tonnes (MMT) of green hydrogen annually by 2030**. The mission also includes the installation of 60-100 GW of electrolyzer capacity - essential to produce green hydrogen.

**Smart Grid Initiatives in India:** The National Smart Grid Mission (NSGM), launched in 2015, focuses on deploying advanced smart grid technologies to enhance grid reliability, integrate renewable energy, and improve energy efficiency.

**The Initiative is being executed under three distinct phases:**

- **Phase-1 (FY'16-FY'17):** Investments worth 980 crores including budgetary support of 338 crores were directed towards the development of smart grids in smart cities. Micro grid development and capacity building were also prioritized, receiving respective allocations and full grant support.
- **Phase-2 (FY'18-FY'21):** Focus on expanding smart grid projects, including ongoing projects. The development of micro grids in medium-sized pockets continued with additional funds. The overall outlay in this phase was 990 crores with a budgetary support of 312 crores.
- **Phase-3 (FY'22-FY'24):** Witnessed continued emphasis on supporting ongoing smart grid projects with an outlay of ₹137 crores. This phase also prioritizes training, capacity building, and technical assistance to utilities.

The NSGM's impact on India's transmission infrastructure is profound. By incorporating smart grid technologies, the mission enhances grid stability, reduces energy losses, and supports the integration of renewable energy sources. This modernization effort not only improves power distribution but also drives demand for advanced components, such as power transformer bushings. As smart grids require sophisticated transformer infrastructure, the market for high-quality bushings is expected to grow, offering new opportunities for manufacturers and suppliers.

#### **7.5 Electrification of Indian Railways**

**In FY'24, the Indian Railways electrified 4,644 railway kilometers (RKM), contributing to an overall cumulative total of 63,456 RKM.**

This electrification drive is expected to lead to a significant increase in electricity consumption. The Indian Railways is projected to require an additional 30.13 billion units of electricity annually, which equates to a daily requirement of approximately 9.4 gigawatts (GW) solely for rail operations. This surge in electricity demand highlights the scale of the electrification effort and the need for infrastructure to support this transition. Looking ahead, the budget outlay for electrification for FY'25 stood at Rs. 6,500 crores, reflecting continued investment in expanding the electrified network. (Source: Indian Railways)

The impact of this electrification drive extends beyond the tracks and trains, affecting related industries as well. The increased demand for transformers driven by the expansion of electrification is spurring the need for high-quality transformer bushings. These components help in connecting transformers to the electrical grid, ensuring reliable power distribution.

## 7.6 Make in India Push

The "Make in India" initiative, launched in 2014, aims to enhance the nation's manufacturing capabilities. Since its launch, Make in India has achieved significant milestones and evolved into Make in India 2.0, focusing on 27 sectors.

Since 2014, the initiative has significantly impacted Foreign Direct Investment (FDI), with FDI equity inflow in the manufacturing sector increasing by 57% from 2014 to 2022 compared to the previous eight years (2006-2014).

The Make in India initiative driven by its objective to boost manufacturing share in India's GDP, is encouraging the electricity demand and indirectly driving the growth in demand for transformer bushings and related solutions.

**Key component of this initiative encapsulates:**

- **Production Linked Incentive (PLI) Schemes**, targeting 14 key sectors with an incentive outlay of Rs. 1.97 lakh crore, as of March 2024.
- Further, **One District One Product (ODOP) initiative** plays a crucial role in promoting balanced regional development by promoting unique products from each district, fostering holistic socio-economic growth.

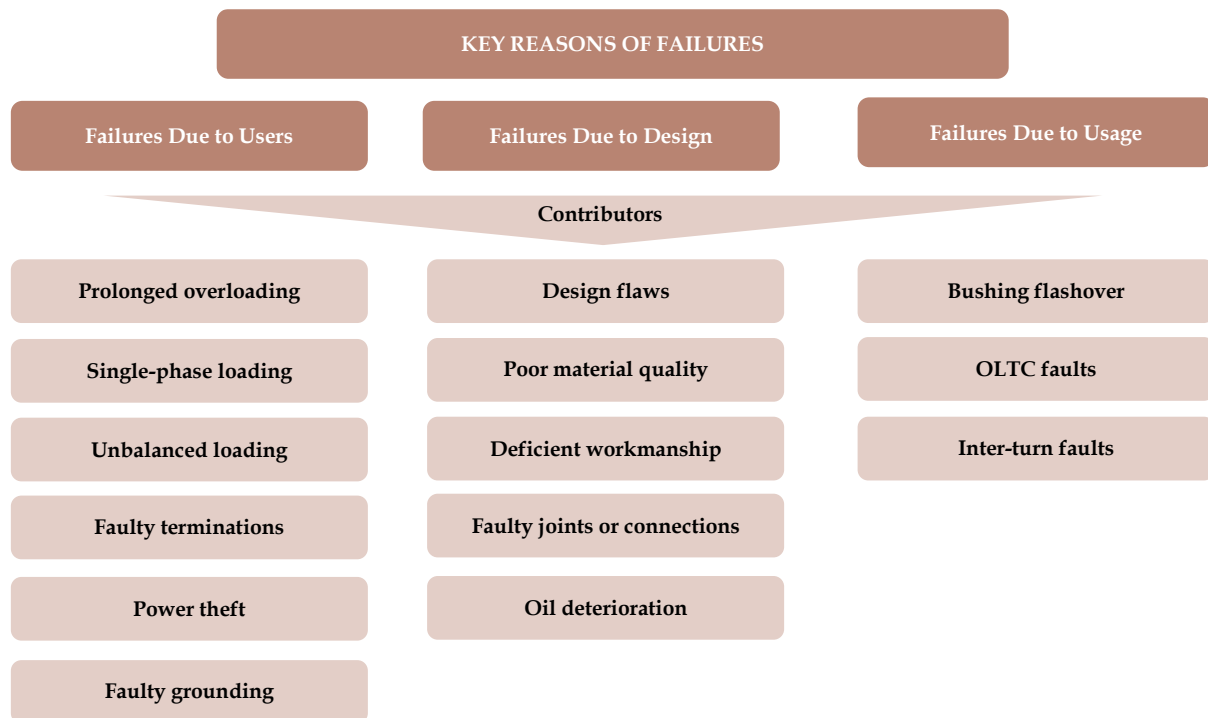
## 8. Market Challenges and Threats

### 8.1 Failure Rate of Transformers and Key Reasons

In India, the failure rate of distribution transformers is significantly higher (12-17%) when compared to developed countries (2-3%).

The high failure rate raises concern for Distribution and Transmission Companies, to increase their budget on operations, maintenance and replacements. The financial impact of transformer failures is considerable due to the high costs and prolonged lead times for procurement, manufacturing, and installation. Replacing a transformer or reactor can require weeks to few months, depending on its voltage class. Some of the key causes for transformer failures are listed in the table below:

### Key Reasons for Transformer Failures in India



Source: Ken Research Analysis

Bushing failures are among the top reasons for transformer breakdowns with consequences, such as fires, burning, or explosions. This has prompted the regulatory agencies to opt for Resin Impregnated Paper (RIP) and Resin Impregnated Synthetic (RIS) bushings as replacements for conventional Oil Impregnated Paper (OIP) bushings. While RIS bushings are a preferable alternative to OIP, their limited global manufacturing capability are limiting their adoption in the country.

## **8.2 Lack of Testing Facilities**

National Accreditation Board for Testing and Calibration Laboratories (NABL) is the current nodal agency to accredit testing labs for transformers and its related components. According to the NABL, there are currently less than 25 NABL - accredited labs dedicated to transformer testing across the country. Within this, the testing labs for power transformer could be much lesser.

The limited number of facilities constrains the ability to perform comprehensive testing and quality assurance of transformers in India. With insufficient testing infrastructure, the market faces increased risks of transformer failures, leading to costly downtimes and operational disruptions. Moreover, bushing players face similar problems as insufficient testing capabilities delay the verification of their bushing quality, thus resulting in reliability and safety issues.

## **8.3 Inadequate Supply of Prime Quality Material and Increase in Material Cost**

The performance and reliability of bushings, being highly technical products, are critically dependent on the quality of raw materials used. Some of the prime raw materials used in Bushings include high-grade porcelain, copper, and epoxy resin, among others.

In case of raw Material inadequacy, the manufacturers turn to lower-grade alternatives to keep production lines moving. For instance, in place of high-grade porcelain, they may resort to using lower-quality ceramics impacting dielectric strength and durability. Similarly, in absence of high-quality epoxy resin, less effective resins might be used.

The challenge is further compounded by rising costs of these critical materials leading to increased production costs and squeezed profit margins for manufacturers. To curb costs, Manufacturers are forced to navigate a delicate balance between managing costs and maintaining quality, which is affects the overall attractiveness of the transformer bushing business.

## **8.4 High Entry Barriers for New Player**

The Indian Transformer Bushing industry is concentrated among few players. The competition is more intense in HV transformer bushing, with presence of players such as Hitachi Energy, Crompton Greaves, GE T&D India Limited, Yash Highvoltage Ltd., BHEL and few others. The high level of consolidation in the market is due to the following reasons:

- **Transformer bushing business is highly capital intensive** as establishing a manufacturing unit demands significant financial outlay for specialized machinery and workspace
- Beyond financial hurdles, **material expertise is crucial**. Transformer bushings require understanding complex materials like porcelain and conductivity-enhancing metals.
- Further, manufacturing bushings that can withstand high voltage and current while maintaining insulation integrity requires **extensive electrical engineering and transformer design expertise**.
- Commercial advantage and acceptance to quality measures is difficult for any new player as per the acceptable norms of power transformer companies. The order life cycle is between 3-12 months, reflecting delay in delivery in the market once the order book is placed.
- Additionally, **compliance with stringent national and international standards adds to complexity**. Obtaining necessary certifications can be lengthy and intricate, deterring new players.

The above-mentioned factors, restrict the entry a new player to enter transformer bushing business in India.

## 9. Competition Landscape - India Transformer Bushing Market

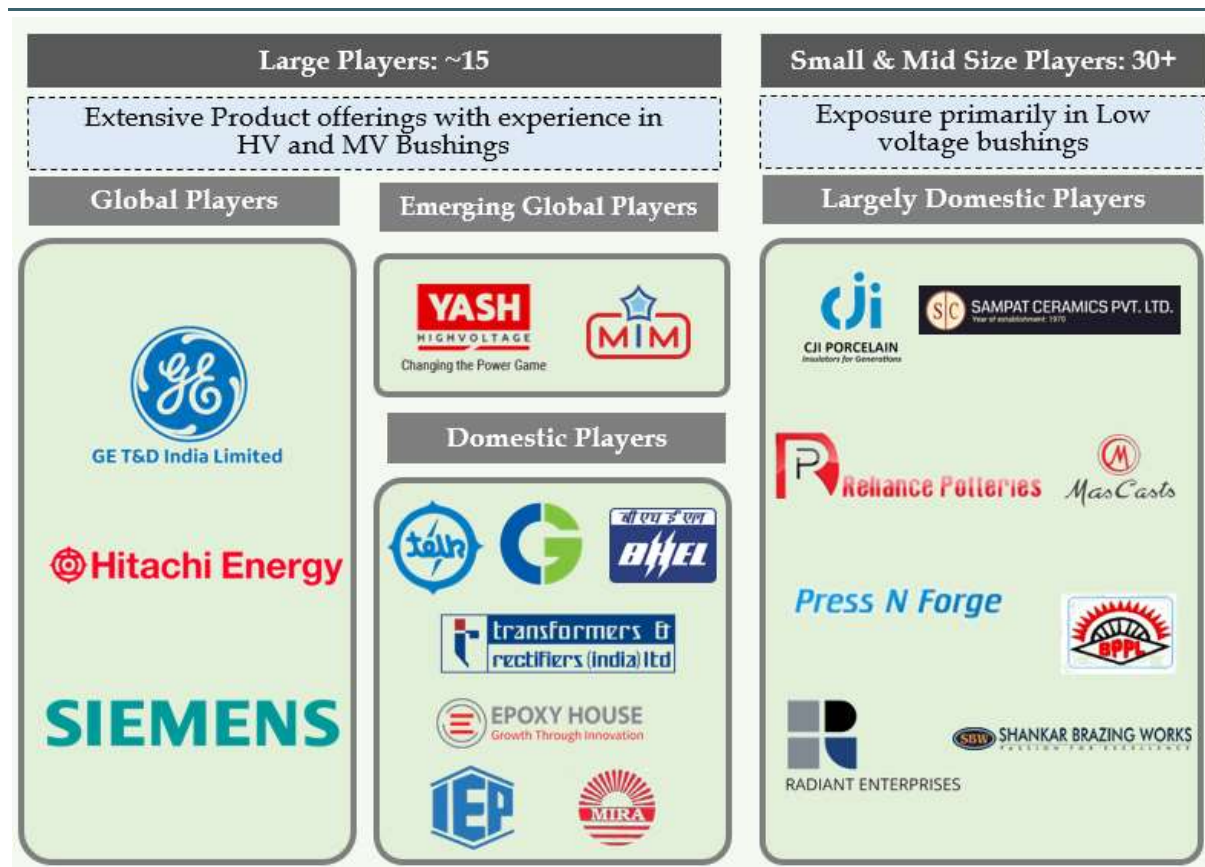
### 9.1 Major Transformer Bushing Suppliers in the Industry

India Condenser Bushing Market landscape is highly consolidated in nature and comprises of both global and domestic players. General Electric, Hitachi Energy, and Siemens are some of the large global players operating in the Indian market. The key entry strategies followed by global players include:

- **Independent domestic entity**, either engaged in domestic manufacturing or having country office to facilitate the sales of the product.
- **Joint-Venture** with Indian counterparts to facilitate domestic production
- **Partnership with Indian distributors/importers** to export their bushing into the Indian market.

Moreover, the market is also marked with the presence of emerging global players such as Yash Highvoltage Ltd., and Massa Izolyator Mehru, primarily competing with global players high voltage bushing segment. Within the Small and medium segment, the level of competition is moderate, dominated by domestic players, primarily focusing on the low voltage bushing segments.

#### Ecosystem of Key Players in India Transformer Bushing Market



Source: Ken Research Analysis and Companies' Websites

Large players are players with topline from bushing component of over 80 cr; Medium and small sized players are players with topline from bushing component of below 80 cr.

#### Major Global Suppliers in the Industry

The global players such as GE, Hitachi Energy, and Siemens have a strong-foothold in the Indian Bushing market.



**Among the global players, GE has one of the strongest exposure** - In India, **it has two listed companies – GE Power India Limited and GE T&D India Limited**, catering to power generation and transmission and distribution business, respectively. The company has 5 manufacturing sites in India and has presence across all stages of the power supply chain with extensive range of products and related services including power and instrument transformers, bushings, instrument transformers, gas insulated switchgears, substation automation equipment, turnkey devices for substations, Flexible AC Transmission Systems (FACTS), High Voltage DC (HVDC) and their support services.

**Hitachi Energy is a major global player**, supplying extensive range of bushings and transformers, particularly in the Ultra-high voltage segments. The company facilitate the sales of its products through their country offices, distribution network or through direct contracts with OEMs and power utilities in India.

Global players, which are exclusively into the bushing segment have formed partnerships with domestic players to tap the Indian Market. **Collaboration of Izolyator Group (Russian) with Mehru Private Limited (Indian) to form a joint venture Massa Izolyator Mehru** to develop high-voltage bushings and technology partnership between Yash Highvoltage Ltd and Moser Glaser (Switzerland) for localized production of dry type resin impregnated paper condenser bushings are few examples of such successful partnership arrangements.

### **Need for Vertical player with ability to scale and customize Vs Horizontal incumbent players**

Vertical player solely focuses on bushing production, while horizontal players offer integrated solutions manufacturing bushings, transformers as well as related components. Players such as Yash Highvoltage Insulators, Crompton Greaves are some verticalized players in the country. Vertical players often enjoy several enlisted benefits:

- **Pricing Benefits:** A vertical player can directly benefit from the lower cost of bushing and other components to be integrated into the transformers. This helps in overall cost reduction and derive better margins from the transformer sales.
- **Efficient Production:** Vertical players benefit from streamlined supply chains, reduced dependency on external suppliers and lower production delays. This leads to better control over quality and cost-efficiency, enhancing the overall reliability of the end-product.
- **Scalability:** Vertical players can leverage economies of scale, expand production capacity more efficiently to meet growing market demands.
- **Reduce Purchase from Competitors:** International Power Transformers companies doesn't wish to purchase the bushing component from another competitors in the same portfolio instead a well-accepted quality standard, custom built and retrofit capability firm places a better positioning and value offering.
- **Faster Adoption of New Technologies:** Vertical players can implement new technologies seamlessly across the production process, ensuring continuous improvement and maintaining a competitive edge over horizontal incumbents where gestation period is high.

The presence of vertical players is essential for a developing market like India, where infrastructure projects require efficient and scalable supply chains.

### **Positioning of Yash Highvoltage Ltd. in the Indian Bushing Space:**

“Yash Highvoltage Ltd. has positioned itself as niche player serving as one stop solution for transformer bushings, their repair and maintenance, offering customized as well as retrofit solutions”

The global transformer bushing market, comprises of over 80-100 manufacturers spread across roughly hundred countries. This market includes both horizontal players, offering a broad range of products, and verticalized players, specializing in specific niches with integrated business models.

Within the high voltage condenser bushings segment, ranging from >36 kV to 245 kV, there are ~15 leading players which includes horizontal players with captive manufacturing facilities of transformer bushings, global players supplying transformer bushing to transformer OEMs along with their additional offerings, and specialized vertical players solely focusing transformer condenser bushings, adhering to international standards.

A smaller group of 5 verticalized companies exists within condenser transformer bushing segment, characterized by their integrated business models focusing solely on transformer bushings. Notable companies in this group include Yash Highvoltage Ltd., Izolyator Group, P-Core (Hubbell), Trench, and HSP Hochspannungsgeräte.

Among the verticalized players, Yash Highvoltage Ltd. is well placed with the portfolio to produce IEC, IEEE and ANSI standards and customized RIP, OIP, RIS, High Current bushings, Wall bushings, and Oil-Oil bushings along with retrofit and repair capability as compared to Global big sized Power transformer manufacturers where international standard based condenser bushing has a small portfolio concentration of less than 2% and high gestation period for custom built bushings along with slow decision making with funds and centralized strategy growth to channelize from global headquarters.

## Positioning of Yash Highvoltage Ltd. Among Global Peers



Source: Ken Research Analysis and Company Website

Notes: Verticalized revenue focus refers to condenser transformer bushing revenue segment constituting major portion of the overall revenue

### 9.2 Cross-Comparison of Major Transformer Bushings Players in India

A significant number of global and Indian players are well placed in the India's bushing business. Some of the key competitors competing in the country's bushings space are benchmarked on the basis of operational and financial parameters as follows:

#### Cross-Comparison of Major Transformer Bushing Players in India on basis of Types of Bushings Offered & USP, 2024

Key Players	Types of Bushings Offered	USP
<b>Hitachi Energy</b>	<ul style="list-style-type: none"> <li>High voltage bushings for DC applications (up to 800 kV and 10,000 A for DC transformers; up to 1100 kV and 6,000 A for DC reactors)</li> <li>Bushings for AC transformers and reactors (1,200 KV, up to 8,000 A)</li> </ul>	<ul style="list-style-type: none"> <li>Faster Delivery Time</li> <li>Comprehensive range of products tailored to client needs</li> <li>Strong support service across 30 countries worldwide</li> </ul>

<b>Siemens Energy AG</b>	<ul style="list-style-type: none"> <li>• Full range of IEEE bushings with ratings from 25 kV through 800 kV system voltages</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive product portfolio covering extensive range of power transformer components including bushings</li> </ul>
<b>Yash Highvoltage Ltd.</b>	<ul style="list-style-type: none"> <li>• High Current Bushings (24 kV-52 kV)</li> <li>• OIP Condenser Bushings (24 kV - 245 kV)</li> <li>• RIP/RIS Condenser Bushings (24 kV - 245 kV)</li> <li>• OIP Wall Bushings / Oil to Oil Bushings (24 kV -245 kV)</li> <li>• RIP/RIS Transformer Bushings (Upto 550 kV)</li> <li>• RIP Busbar Systems (Upto 170 kV)</li> <li>• RIP Wall Bushings (Upto 300 kV)</li> </ul>	<ul style="list-style-type: none"> <li>• Verticalized player solely focused on bushings and offering a varied range of bushings</li> <li>• Offer customized bushings meeting international standards and retrofit capabilities</li> </ul>
<b>Crompton Greaves Power and Industrial Solutions</b>	<ul style="list-style-type: none"> <li>• Condenser OIP Bushing with rated voltage between 56 kV to 800 kV</li> <li>• RIP bushings with rated voltage up to 145 kV</li> </ul>	<ul style="list-style-type: none"> <li>• Advanced and energy-efficient bushings for diverse applications.</li> <li>• End-to-end services including design, installation, and maintenance for bushing products</li> </ul>
<b>GE T&amp;D India</b>	<ul style="list-style-type: none"> <li>• Bushings up to 550 kV for power transformers</li> <li>• Bushings up to 36 kV and 45kA for generator</li> <li>• Bushings up to 1200 kV for power transformers</li> <li>• SF6 insulated up to 800 kV for GIS</li> <li>• SF6 insulated through-wall bushings and up to 800kV</li> <li>• Hybrid SF6 - OIP insulated transformer bushings up to 800kV</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated player offering end-to-end range of products in addition to bushing components</li> </ul>
<b>Bhart Heavy Electricals Limited (BHEL)</b>	<ul style="list-style-type: none"> <li>• Transformer Bushings (52-525 kV)</li> <li>• Special application bushings like oil – oil Wall bushings etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Strong Customer Base with long-term relationships with key players and government utilities</li> </ul>
<b>Transformers And Electricals Kerala Ltd</b>	<ul style="list-style-type: none"> <li>• High current bushings of 24kV, 36kV with current rating 4000A-16000A</li> <li>• OIP Condenser bushing type upto 420 kV</li> </ul>	<ul style="list-style-type: none"> <li>• Player integrating its bushing components in its transformers</li> <li>• Extensive technical expertise derived from its Joint Venture framework between Govt. of Kerala and NTPC</li> </ul>
<b>Massa Izolyator Mehru</b>	<ul style="list-style-type: none"> <li>• Air Oil Bushing</li> <li>• Air Air Bushing</li> <li>• Oil-Oil Bushing</li> <li>• Oil SF 6 Bushing, with 12 - 1200 kV range</li> </ul>	<ul style="list-style-type: none"> <li>• A Joint Venture with combined synergy created by global player " Izolyator Group" and "Mehru"</li> </ul>

Source: Ken Research Analysis, Companies' Websites, Annual Reports, Proprietary Databases



**Cross-Comparison of Major Transformer Bushing Players in India on basis of Financial Parameters, FY'22 - FY'24 (1/2)**

Player	Financial Year	Revenue from Operations (INR Cr)	Bushings Revenue (INR Cr), FY'23	EBIDTA (INR Cr)	EBITDA Margin (%)	PAT (INR Cr.)	PAT Margin (%)
Crompton Greaves Power and Industrial Solutions	FY'24	8,046.0		1,223.0	15.2%	1,427.0	17.7%
	FY'23	6,973.0	60-70	1,088.0	15.6%	962.67	13.8%
	FY'22	5,603.0		629.0	11.2%	913	16.3%
Bhart Heavy Electricals Limited *	FY'24	24,439.1		491.6	2.0%	282.2	1.2%
	FY'23	23,853.6	15-20	975.9	4.1%	654.1	2.7%
	FY'22	20,153.4		751.0	3.7%	410.2	2.0%
Hitachi Energy*	FY'24	5,246.8		311.8	5.9%	163.8	3.1%
	FY'23	4,483.7	25-30	211.8	4.7%	93.9	2.1%
	FY'22*	4,950.9		336.2	6.8%	203.4	4.1%
GE T&D India Ltd*	FY'24	3,190.5		313.2	9.8%	181.0	5.7%
	FY'23	2,807.2	30-40	13.6	0.5%	-14.9	-0.5%
	FY'22	3,091.7		-121.8	-3.9%	-49.6	-1.6%
Transformers And Electricals Kerala Ltd	FY'23	194.5		5.2	2.7%	NA	NA
	FY'22	138.6	5-7	-56.9	-41.1%	NA	NA
Siemens Energy AG*	FY'23	287,228.4		6,950.2	2.4%	-42,347.2	-14.7%
	FY'22	267,716.2	40-50	30,828.2	11.5%	-6,571.8	-2.5%
Massa Izolyator Mehru	FY'23	12.9		0.5	3.9%	0.2	1.2%
	FY'22	7.6	12.9	-1.5	-19.2%	-1.1	-13.9%

Source: Ken Research Analysis, Companies' Websites, Annual Reports, Proprietary Databases

Note 1: FY'24 indicates financial year which starts from 1<sup>st</sup> April 2023 and ends at 31<sup>st</sup> March 24

Note 2: NA indicates information not available

Note 3: \* Refers to the group revenue

Note 4: Information for Transformers And Electricals Kerala Ltd, Siemens Energy AG, Massa Izolyator Mehru are only available up to FY'23

**Cross-Comparison of Major Transformer Bushing Players in India on basis of Financial Parameters, FY'22 - FY'24 (2/2)**

Player	Financial Year	Net Worth (INR Cr.)	Return on Equity - RoE	Debt/Equity
Crompton Greaves Power and Industrial Solutions	FY'24	3,019.0	0.5	115.8%
	FY'23	1,791.0	0.5	63.1%
	FY'22	1,003.9	0.9	31.3%
Bhart Heavy Electricals Limited	FY'24	24,438.7	0.01	70.7%
	FY'23	24,378.3	0.03	74.9%
	FY'22	23,880.1	0.02	80.3%
Hitachi Energy	FY'24	1,359.9	0.1	246.2%
	FY'23	1,215.3	0.1	222.4%

	FY'22	1,132.4	0.2	211.2%
GE T&D India Ltd	FY'24	1,242.9	0.1	188.4%
	FY'23	1,072.7	-0.01	243.0%
	FY'22	1,080.3	-0.05	248.7%
Transformers And Electricals Kerala Ltd	FY'23	NA	NA	NA
	FY'22	NA	NA	NA
Siemens Energy AG	FY'23	81,104.0	0.0	445.2%
	FY'22	157,999.1	0.0	198.4%
Massa Izolyator Mehru	FY'23	5.3	0.03	514.7%
	FY'22	5.3	-0.2	201.6%

Source: Ken Research Analysis, Companies' Websites, Annual Reports, Proprietary Databases

Note 1: FY'24 indicates financial year which starts from 1<sup>st</sup> April 2023 and ends at 31<sup>st</sup> March 24

Note 2: NA indicates information not available

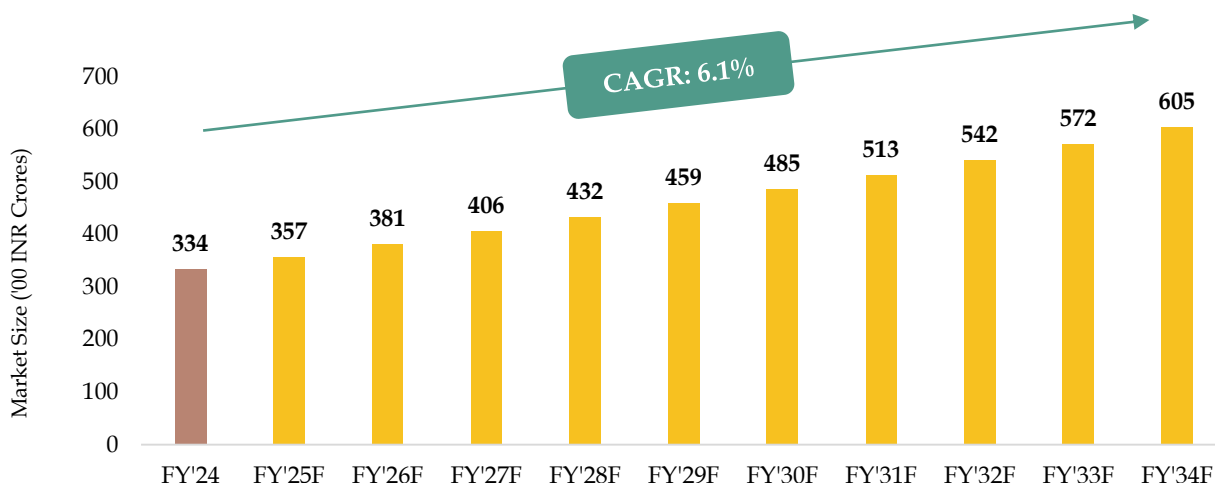
Note 3: Information for Transformers And Electricals Kerala Ltd, Siemens Energy AG, Massa Izolyator Mehru are only available up to FY'23

## **10. Future Market Outlook for India Transformer Bushing**

### **10.1 Market Growth Attractiveness for India Power Transformer from 2024-2034F**

The future market for India's power transformer is expected to reach INR 604.7 hundred crores by FY'34F, reflecting a CAGR of 6.1% during FY'24-FY'34F. The government's focus on modernizing grid infrastructure, through initiatives like the Integrated Power Development Scheme (IPDS) and the National Smart Grid Mission will drive the demand for power transformers commission under these initiatives.

### **India Power Transformer Market Size on the Basis of Revenue in INR Hundred Crores, FY'24-FY'34F**



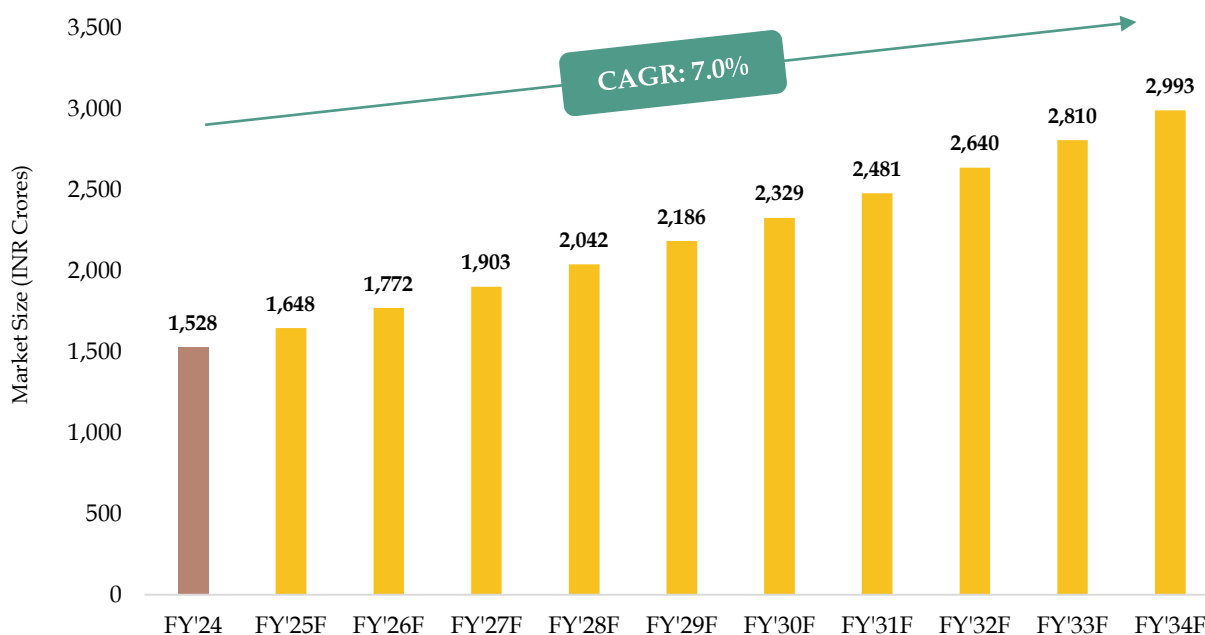
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

### **10.2 Future Market Growth Attractiveness for India Transformer Bushings from 2024-2034F**

The future market for India's transformer bushing is projected to reach INR 2,993.2 crore by FY'34F, witnessing a CAGR of 7.0% from FY'24 to FY'34F. The growth of India's power infrastructure and renewable energy adoption will drive the transformer bushing market. Integrating solar and wind energy requires advanced bushings for variable loads and harsh conditions, while expanding building infrastructure demands reliable bushings for efficient power distribution. As India aims to achieve 500 GW of renewable energy capacity by 2030, the demand for reliable and efficient transformer bushings is expected to rise. Moreover, government initiatives such as grid

modernization and commissioning of new transformers to trim transmission and distribution losses will generate fresh demand for bushings.

### Future Outlook of India Transformer Bushings Market Size on the Basis of Revenue in INR Crores, FY'24-FY'34F



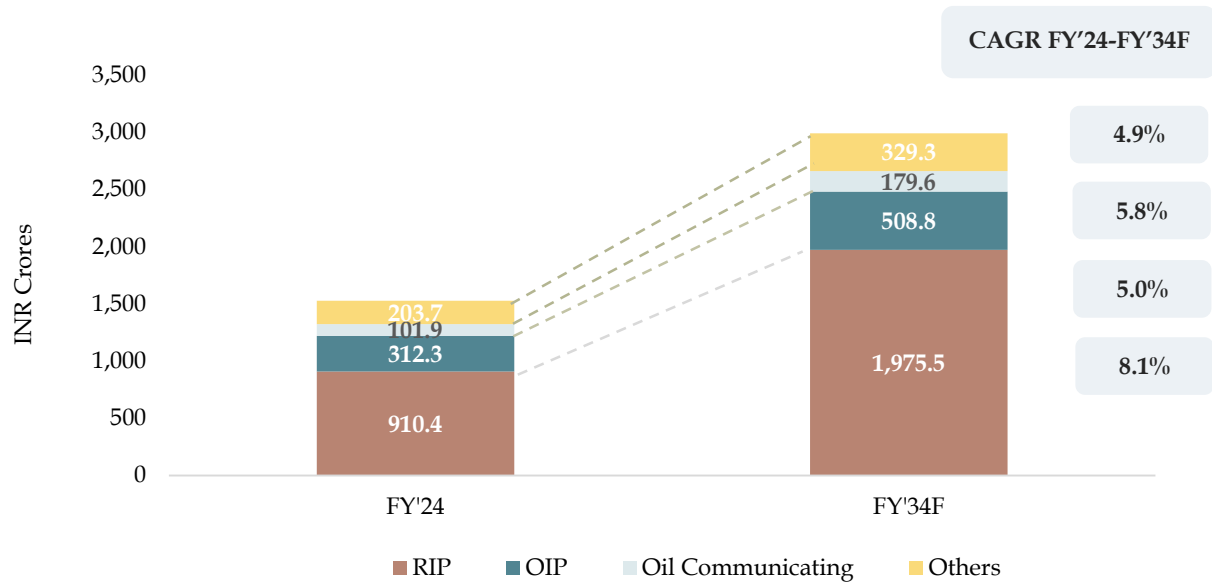
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

### **10.3 Future Market Segmentation of India Transformer Bushing Market, FY'24 & FY'34F**

#### **By Insulation Type (FY'24 & FY'34F)**

Over the next ten years, RIP bushings will continue to gain popularity due to their higher mechanical strength and better performance in harsh environment. Their market share is projected to increase to 66.0% by FY'34F. Whereas, OIP bushings will continue to witness declining share over the forecast period owing ongoing trend of utilities' preference from OIP bushings to RIP bushings.

### Future Outlook of India Transformer Bushing Market Segmentation by Insulation Type on the Basis of Revenue in INR Crore, FY'24 & FY'34F

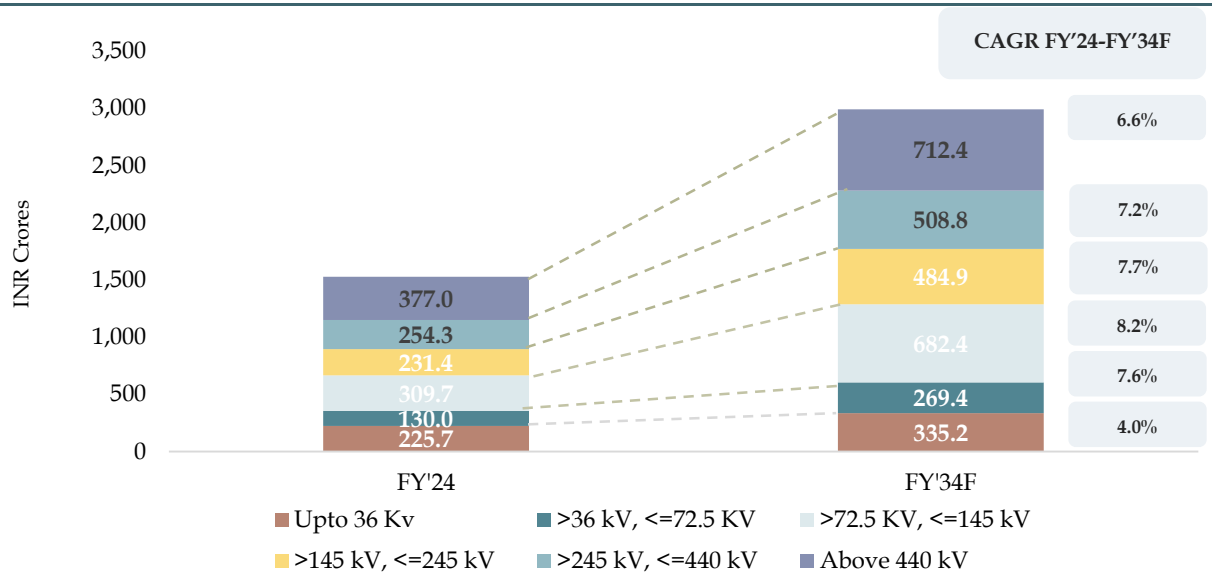


Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

#### By Voltage Range (FY'24 & FY'34F)

Among all the segments, 72.5 kV, <=145 kV voltage range will continue to witness highest increase in share over the forecast period, due to their prospective demand coming from large-scale power transmission and large-scale renewable energy projects.

### Future Outlook of India Transformer Bushing Market Segmentation by Voltage Range on the Basis of Revenue in INR Crore, FY'24 & FY'34F



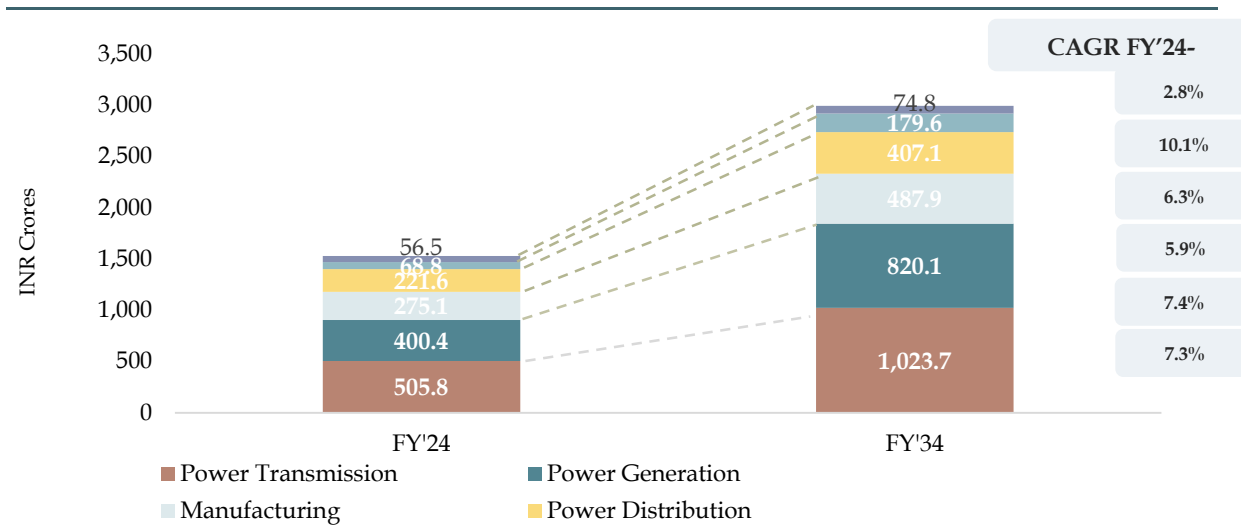
Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

**By Application Usage (FY'24- & FY'34F)**

Power transmission segment will continue to lead during the forecast period, reflecting a revenue share of 34.2% by FY'34F. The extensive use of bushings in this segment is driven by the continuous expansion and upgrading of transmission infrastructure to support growing electricity demand and enhance grid stability.

Meanwhile, power generation segment will remain second largest area for bushing usage, experiencing a CAGR of 7.4% during FY'24-FY'34F, fueled by push towards increasing power generation capacities and their integration with the power transmission network.

**Future Outlook of India Transformer Bushing Market Segmentation by Application Usage on the Basis of Revenue in INR Crore, FY'24-FY'34F**



Source: Interviews with Industry Experts, Industry Articles & Ken Research Analysis

Note: In Renewables, transformer bushings are used in step-up transformers, onshore and off-shore substations

**Potential for Domestic Manufacturing and Assembly for bushings in India**

India's transformer bushings pose a market opportunity of INR 2,993 crores by FY'34F. In India, the transformer bushing market heavily relies on imports, especially for high voltage bushings. This dependency poses challenges such as supply chain vulnerabilities, high costs, and longer lead times.

The growing demand for transformers in India's expanding power sector highlights the critical need for a robust domestic manufacturing and assembly base for bushings. To attract investments in this sector, several measures can be taken:

- Offer incentives such as tax breaks, subsidies, and easier access to land and capital.
- Establishment of special economic zones (SEZs) dedicated to the electrical components.
- Collaborations between Indian companies and global leaders in bushing technology through Joint Ventures.
- Building a strong domestic manufacturing ecosystem for critical power components.

**11. Conclusion – Way Forward**

The transformer bushing market in India is poised for significant growth, with projections indicating a market size of INR 2,993 crore by FY'34, achieving a CAGR of 7.0% from FY'24 to FY'34. This growth is driven by the rapid expansion of India's power infrastructure and the adoption of renewable energy. As the country integrates solar and wind energy, the need for advanced bushings capable of handling variable loads and harsh conditions will become essential. Government initiatives focused on grid modernization and the commissioning of new transformers to reduce transmission and distribution losses will also generate fresh demand for bushings.

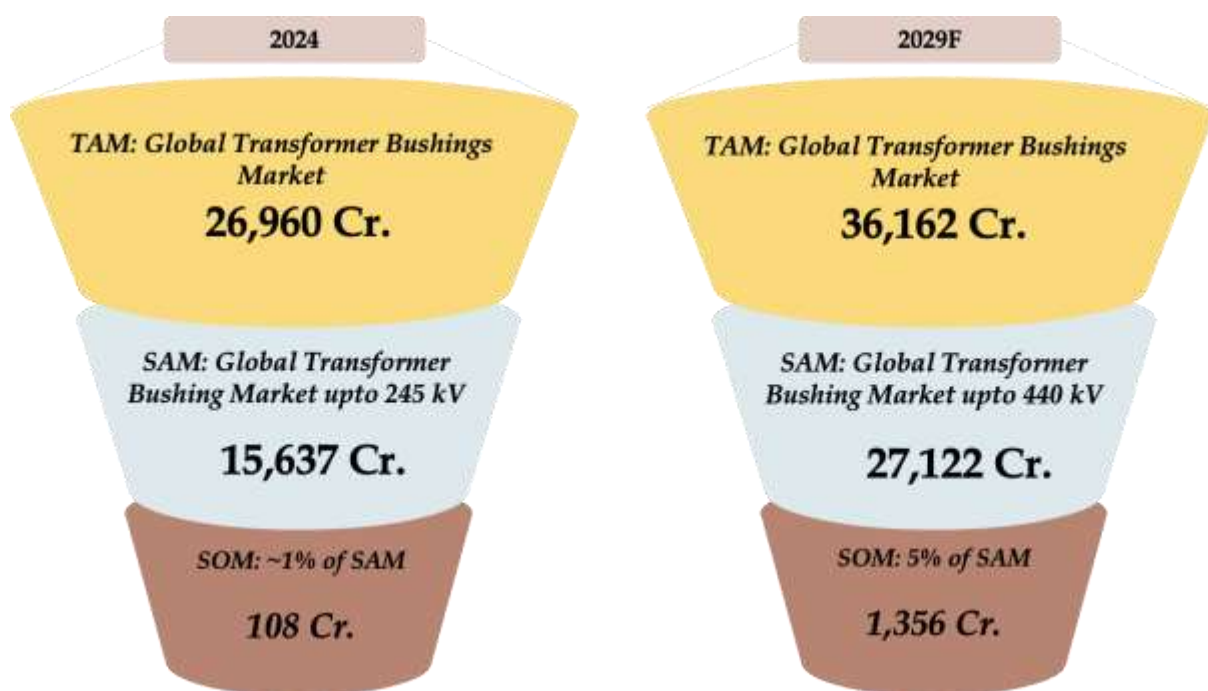
The bushing market would benefit from vertical players that could offer integrated solutions. Such players would gain from cost efficiencies, streamlined production processes, and the ability to quickly adapt to new technologies, making them well-positioned to meet the increasing demands and advancements in the transformer bushing sector.

For Yash Highvoltage Ltd., the voltage ranges up to 245 kV serves as a suitable target segment matching its product offerings. In 2024, the global market for transformer bushings under 245 kV range was 15,638 crores (SAM for 2024). As the company aims to tap into market upto 440 kV range in future, the global serviceable addressable Market (SAM for 2029F) for Yash Highvoltage Ltd. will expand to 27,121 Crore (Global Transformer Bushings Market up to 440 kV). Currently, the company occupies ~1% share of SAM.

Yash Highvoltage is poised to expand and indigenously develop the core for RIP technology in India that will enable it to export and meet demand internationally with lean supply chain management and power voltage expansion to upto 440 KV in next 5 years. We believe as the niche vertical portfolio players expands into higher voltage transformer bushings, there is an opportunity to obtain 5% of global SAM by 2029, offering an opportunity to expand its business to 1,356 crore.

Within the targeted voltage range, RIP bushings will serve as a sweet-spot for the company as global market is rapidly transitioning from OIP to RIP bushings, leading to global shortages of RIP bushings. This demand-supply gap can be addressed by Yash Highvoltage Ltd. by scaling-up its RIP production to meet domestic and international demand.

### Target Market Opportunity for Yash Transformer, 2024 & 2029F



Source: Ken Research Analysis

TAM: Target addressable market; SAM: Serviceable addressable market and SOM: Serviceable obtainable market

## OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 27 for a discussion of the risks and uncertainties related to those statements, the section “Risk Factors” on page 39 for a discussion of the risks that may affect our business, financial condition, or results of operations, and “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 238 and 278, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, many of which may not be derived from our Restated Financial Statements or otherwise be subject to an examination, audit or review by our statutory auditors or any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions.*

*Our Company’s Financial Year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Financial Year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the Financial Years ended March 31, 2022, 2023 and 2024 and the three months period ended June 30, 2024 included herein is derived from the Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Statements” on page 238. Unless otherwise indicated or the context otherwise requires, in this section, references to “we”, “us” and “our” are to the Company.*

### BUSINESS OVERVIEW

Yash Highvoltage Limited (“the Company”) is engaged in the manufacturing and distribution of wide range of transformer bushings – Oil Impregnated Paper [OIP] condenser bushing, Resin Impregnated Paper [RIP] / Resin Impregnated Synthetic [RIS] condenser bushing, High Voltage and High Current bushing, OIP Wall bushing and Oil to Oil bushing. The Company also undertakes repairing, retrofitting and replacement services of old bushings. Through our team of experienced engineers, we provide on-site/off-site bushings technical testing, analysis and repairing services.

The Company was originally incorporated as “Yash Highvoltage Insulators Private Limited” in 2002 by a group of technocrats to manufacture Fiber Reinforced Polymer Cylinders and high-current bushing products. In 2008, Mr. Keyur Shah acquired the Company and transformed it into a successful and profitable organisation. Mr. Keyur Shah is a first-generation entrepreneur and the Promoter and Managing Director of the Company, with a vision to be among the top transformer bushing manufacturers globally. The Company was converted to a Limited Company and the name was changed to “Yash Highvoltage Limited” in 2018.

Our corporate office is in Vadodara, Gujarat and we conduct our manufacturing operations in our factory located at 84/1B, PO Khakharia, TA., Savli, Vadodara, Gujarat. Our manufacturing facility has an annual installed capacity to produce 7,000 bushings bifurcated into 3,700 units of OIP Bushings, 3,000 units of RIP Bushings and 300 units of High Current Bushings. The factory is fully equipped with in-house quality testing facilities.

Our Company is on the approved vendor list of various Indian Government Enterprises and large private companies engaged in Power sector.

### PRODUCT PROFILE – Role of a Bushing

Transformer Bushings – A critical accessory in Power Transmission

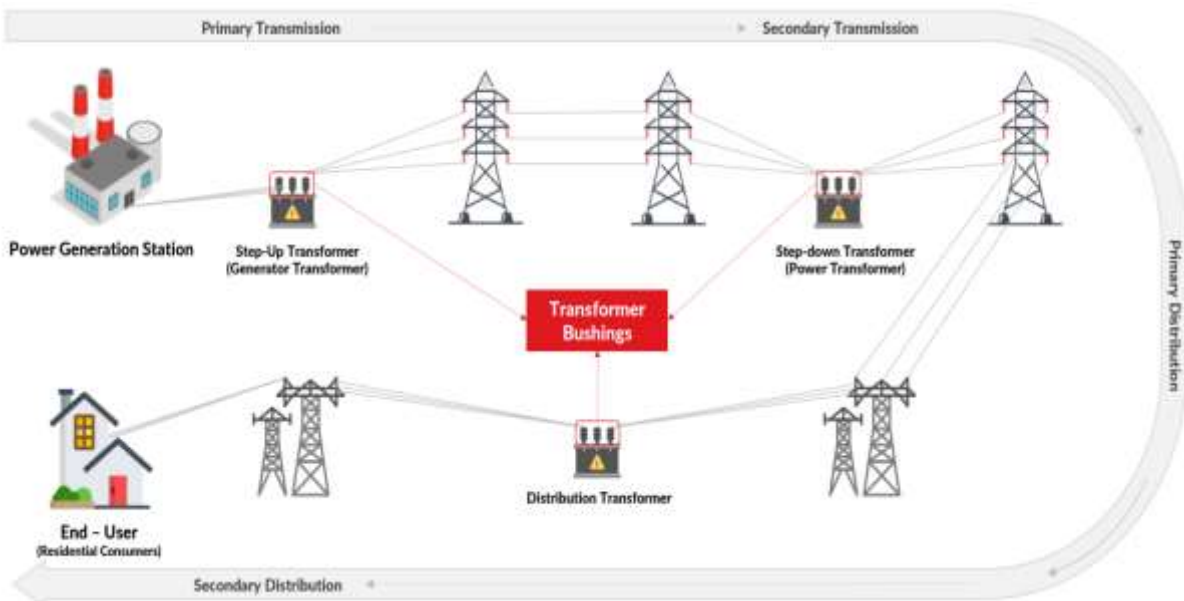
- Transformer bushings play a critical role in the power value chain, ensuring power reaches consumers through multiple critical stages
- A transformer bushing is a crucial component that provides insulation for a current-carrying conductor passing through the grounded metallic tank of a transformer, ensuring safe operation
- It is a mission-critical product whose failure can result in catastrophic consequences for the power transformer as well as other infrastructure in a power substation
- High current bushings enable power transfer from generators to step-up transformers for long distance primary and secondary transmission, whereas OIP/RIP high voltage condenser bushings are crucial for transmission through power substations



Additionally, there are technical aspects in which the significance of power transformer bushing is reflected upon:

1. **Voltage Insulation and Control:** Transformer bushings are designed to conduct current at high voltage through earthed barrier (transformer tank, GIS flange, building wall-cement/brick, to name a few). They withstand electrical stress, preventing breakdowns between the conductor and the earthed transformer body. The integrity of this insulation is crucial, as failures can lead to catastrophic transformer failures, resulting in costly downtimes and repairs
2. **Structural and Mechanical Stability:** Beyond electrical roles, bushings also ensure the mechanical stability of power transformers. They must withstand operational loads, thermal stresses, and vibrations. This dual requirement for electrical and mechanical robustness makes bushing design and material choice critical in transformer design.
3. **Thermal Management:** Bushings also aid in transformer thermal management by dissipating heat efficiently, which is crucial for maintaining safe operating temperatures. Effective heat management impacts the aging and longevity of both the bushing and the transformer.
4. **Monitoring and Diagnostic Interface:** Modern bushings have sensors for continuous monitoring of temperature, moisture, and partial discharges. This enables predictive maintenance, allowing timely interventions and extending transformer life.
5. **Environmental and Safety Considerations:** Bushings enhance environmental safety by containing harmful insulating materials and preventing oil leaks in transformers, reducing fire and environmental risks.
6. **Regulatory Compliance and Standards:** Bushings must meet stringent international and national standards for electrical, mechanical, and thermal properties, ensuring reliable performance under varying conditions.





### Transformer Bushings Play a Critical Role in Power Transmission Value Chain



The schematic above shows the role of transformers from the point of power generation to the point of consumption. A **step-up transformer** is primarily used in power generation stations where electricity is generated at a lower voltage. By stepping up the voltage, the transformer enables long-distance transmission of electricity with reduced power loss, since higher voltages reduce current, minimizing energy loss due to heat. A **step-down transformer** is used in the latter stages of power transmission, reducing high transmission voltages to levels suitable for residential, commercial, or industrial use. It ensures that electricity is safely delivered at appropriate voltage levels for consumer use. A **distribution transformer** steps down the voltage from the medium voltage distribution lines to the low voltage required for end-user applications. It is typically found in residential or near industrial areas, providing the final voltage reduction before the electricity reaches homes or businesses. Distribution transformers are designed for high efficiency at low loads, operating continuously to supply energy for everyday use.



## PRODUCT PORTFOLIO

Sr. No.	Products	Features
1.	<b>High Current Bushings</b> 	<ul style="list-style-type: none"> <li>• Insulation: Oil-impregnated paper/ Oil filled - Hermetically Sealed/Oil Communicating</li> <li>• Rated Voltage - 24Kv ~ 52Kv</li> <li>• Rated Current – upto 25000 A</li> <li>• Type: Oil to Air</li> <li>• Standard: IEC 60137:2017/IEEE C.57.19.00/01</li> <li>• Used in Generator step – up (GSU) transformers.</li> </ul>
2.	<b>OIP Condenser Bushings</b> 	<ul style="list-style-type: none"> <li>• Insulation: Oil-impregnated paper Hermetically sealed</li> <li>• Rated Voltage - 24 kV - 245 kV for IEC range OR 25 kV - 230 kV for IEEE range</li> <li>• Rated Current – 400 A ~ 3150 A (customized rated current &gt;3150 A are made upon request)</li> <li>• Application: Transformer Outdoor</li> <li>• Type: Oil to Air / Oil to Oil / Air to Air</li> <li>• Tested as per IEC 60137: 2017/ IEEE C57.19.00/01 standards</li> <li>• Insulator: Porcelain / Hollow Composite - Silicone</li> <li>• Standard: IEC 60137: 2017/ IEEE C57.19.00/01</li> <li>• Used in power transformers</li> </ul>
3.	<b>OIP Wall Bushings / Oil to Oil Bushings</b> 	<ul style="list-style-type: none"> <li>• Rated Voltage - 24 kV - 245 kV for IEC range OR 25 kV - 161 kV for IEEE range</li> <li>• Rated Current – 400 A to 3150 A (customized rated current &gt;3150 A are made upon request)</li> <li>• Standard: IEC-60137:2017 OR IEEE C.57.19.00/01</li> <li>• Type of Insulation – Oil-impregnated Paper Hermetically sealed</li> <li>• Used in power transformers</li> </ul>
4.	<b>RIP / RIS Condenser Bushings</b> 	<ul style="list-style-type: none"> <li>• Insulation: Resin Impregnated Paper / Synthetic</li> <li>• Rated Voltage - 24Kv ~ 245Kv</li> <li>• Rated Current – 400 A to 6300 A (customized rated current &gt;6300 A are made upon request)</li> <li>• Standard: IEC 60137:2017</li> <li>• Type: Oil to air dry</li> <li>• Used in power transformers</li> </ul>

## OUR LOCATIONS

Registered Office and Factory	R.S. No. 84/1/B.1 paiki situated at village Khakaria Taluka- Savli & District Vadodara Gujarat.
Corporate Office	6th Floor, 603, Ozone Sarabhai Compound, Vikram Sarabhai Marg, Nr. Genda Circle, Wadiwadi Gorwa, Vadodara-390003 Gujarat.
Administration Office	6th Floor, 601-602, Ozone Sarabhai Compound, Vikram Sarabhai Marg, Nr. Genda Circle, Wadiwadi Gorwa, Vadodara-390003 Gujarat.
For Factory use	R.S. No. 84-84/1/A. paiki situated at village Khakaria Taluka- Savli & District Vadodara Gujarat.

## MANUFACTURING FACILITY AND PROCESS

Our manufacturing facility spans approximately 65,000 square feet, complemented by an open area of about 85,000 square feet that includes spaces for storage, warehousing, parking and canteen facilities. The land and facility are wholly owned by our Company.

## **OUR MANUFACTURING FACILITY**



## **OUR MANUFACTURING PROCESS:**

### **1. Designing of bushings**

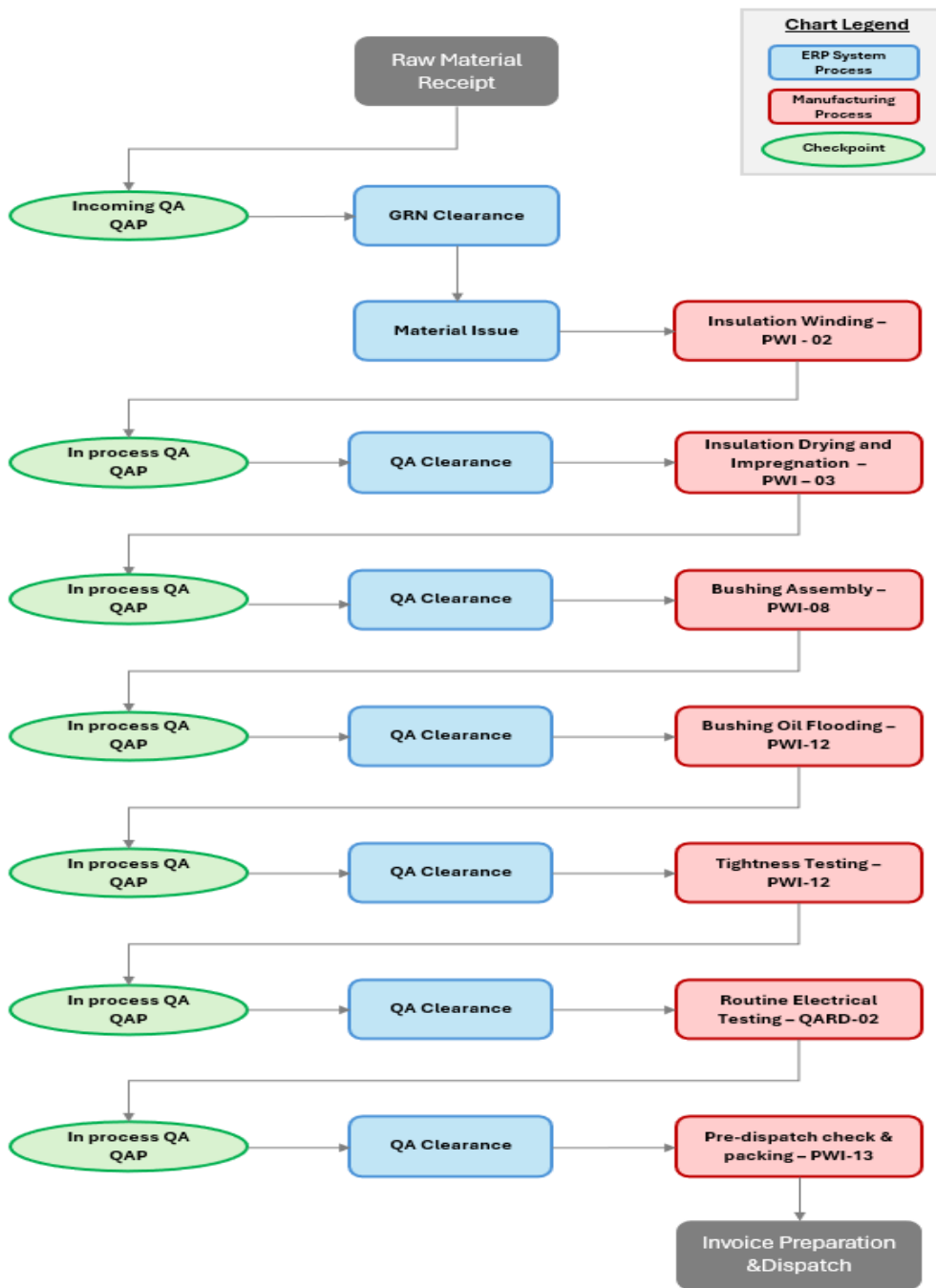
Majority of the bushings are customized in terms of mounting Dimensions, termination lengths, terminal/conductor material, shape & size, operating conditions such as altitude, temporary over voltages, temperature of ambient air and immersion medium, seismic conditions, operating cantilever load etc. Our Engineering and Design team equipped with art design tools and solutions, work out the tendering & order designs of bushings after thorough understanding of customer requirement and specifications and according to applicable internationally standardized and accepted IEC specifications. By use of CAD software, engineers prepare drawings for customer approval. After customer approval, component drawing along with bill of Material & Process & Testing/Inspection Instructions are released to relevant internal departments for procurement, inspection/testing and production. The document control is maintained using ERP system.

### **2. Raw material procurement and quality inspection**

Every component of a transformer bushing contributes towards long-term performance of transformers hence all raw materials for example, insulating kraft paper, porcelain/epoxy insulator, insulating transformer oil, aluminium and copper alloys must be robust to withstand the test of continuous operation. Each material lot is inspected thoroughly and subjected to stringent quality checks before accepting for production. Some of the tests conducted on raw materials includes HV test & internal pressure test on insulators, chemical analysis, mechanical strength check and electric conductivity tests on aluminium and copper alloys, and other physical, chemical, mechanical and electrical tests of insulating paper and transformer oil test, hardness test of rubber O-rings, electro plating thickness checks etc. We control material allotment by using ERP system.

- A. **High Current & OIP Condenser Bushings** – The High Current & OIP Bushings mainly consist of OIP active part, nonferrous metal components, insulating air, oil side envelopes and insulating oil. The flowchart given below shows the entire manufacturing process from receipt of raw materials to dispatch of finished goods.

**PROCESS FLOWCHART:**



**1. Manufacturing of OIP active parts:**

The OIP active part is made by winding of insulating kraft paper either on copper stem or aluminium tube former, depending on the design requirement. For capacitive grading, electrical grade aluminium foils are precisely inserted during insulating paper winding, at pre-calculated diametrical and axial locations both, to ensure optimum electric field control and equal voltage distribution across each layer of Insulating core.

After precise winding process of insulating paper core according to a highly accurate capacitive grading programme, the core is dried in autoclaves at elevated temperature under fine vacuum. Insulation drying process lies at the heart of bushing manufacturing chain, and is governed by control parameters such as condensate collection rate and condensate volume, drying temperature, vacuum level, duration of drying process (depending on the mass of insulation) etc.

After adequate moisture extraction is achieved, insulating paper core is impregnated by high quality insulating mineral transformer oil. After impregnating paper insulation at controlled feeding rate of oil, OIP core is kept inside autoclave for given standing time to attain electrical properties of OIP Core. The OIP core is then stored in clean, oil filled tanks in hermetically sealed condition.

Bushing winding is carried out inside dust-free, ambient controlled room to eliminate chances of ingress of foreign particles/moisture inside Insulation. Lead time of winding a paper core depends on the kV class and generally varies from 3 hours to 8 hours. Similar principle applies for autoclaving of a wound paper core, which may vary between 7 to 15 days based on the kV/voltage class of the insulation.

## **2. Bushing assembly and insulation filling:**

After Oil Impregnation, OIP core is ready for assembly. OIP core is housed inside air side porcelain or composite insulator (depending on design), oil end epoxy insulator, mounting flange and conservator. The annular space between all components and OIP core is precisely filled with high quality mineral transformer oil under fine vacuum. vacuum oil flooding cycle is adjusted according to the exposure time during bushing assembly.

Bushing is assembled inside dust-free, ambient controlled room to eliminate chances of ingress of foreign particles/moisture inside Insulation. Test tap stem is connected to last aluminium foil of condenser by wire crimping. Test tap, to enable measurement of capacitance and partial discharge is made of high-quality epoxy moulding. Per bushing time of assembly and oil filling, including standing time is about 2 days.

## **3. Oil tightness testing of bushing:**

After oil filling, the bushing is subjected to an overpressure of oil at 1.1 bar above maximum operating pressure for duration of atleast 16 hours. After completion of test duration, whole bushing is inspected for oil leakages, if any.

## **4. Electrical and Physical Testing of Bushing:**

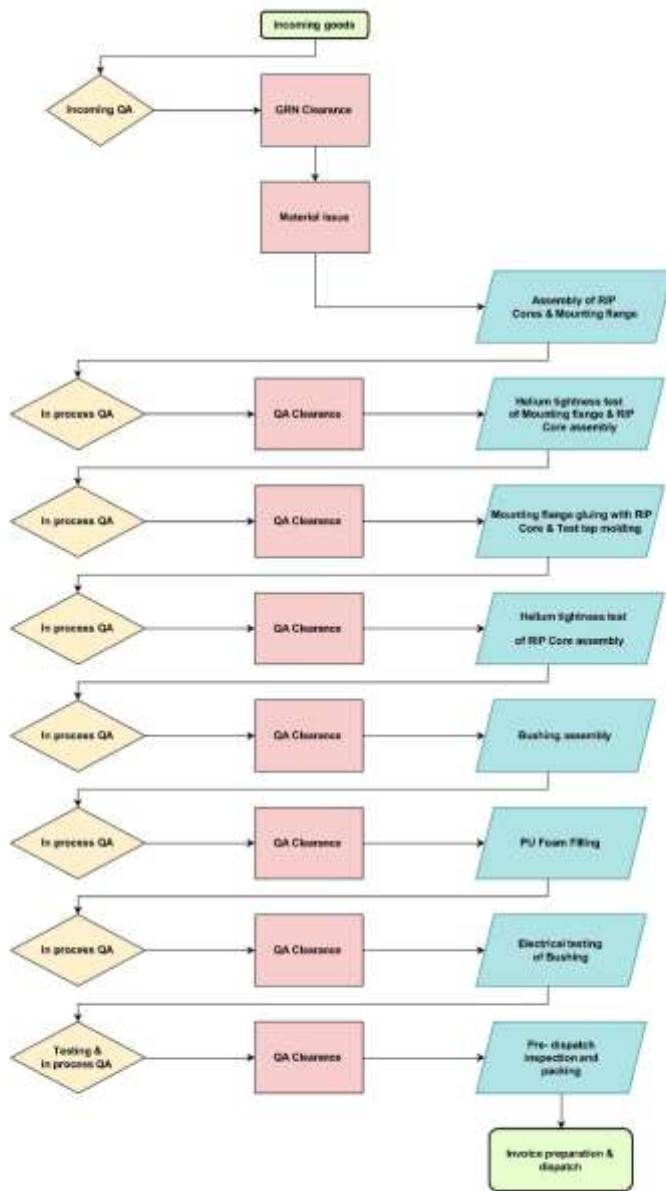
After successful completion of tightness test, bushing is prepared for electrical testing to simulate the actual service conditions. Our 400kV test laboratory is equipped and capable of performing all routine electrical tests as per IEC 60137 standard. The HV test lab has a Partial Discharge (PD) background of < 2pC, ensured by double wall electromagnetic shielding, and imported EMI filters. This facilitates highly accurate PD testing for all products, which is a key parameter for determining insulation health and quality of the 100 bushings. To verify and confirm healthiness, each bushing is critically tested for following stringent electrical tests such as lightning impulse voltage withstand test, AC voltage withstand test, partial discharge quantity measurement test capacitance and dielectric dissipation factor measurement, insulation resistance measurement oil tightness test of bushing and flange etc.

## **5. Customer inspection and dispatch:**

Many bushings are retested in the presence of Customers, if required by them. After satisfactory inspection and testing, Bushing are dispatched to Customers.

**B. RIP/RIS Condenser Bushings** - The RIP/RIS Bushings mainly consist of RIP Active part, nonferrous metal components, insulating composite insulator and dry insulating foam. The flowchart given below shows the entire process from receipt of raw materials to dispatch of finished goods:

**PROCESS FLOWCHART:**



**1. Procurement of RIP active parts:**

The RIP active part/core is imported from overseas suppliers in ready machined condition. It is then stored in humidity and temperature-controlled ambience, until assembly stage.

**2. Assembling of mounting flange and test tap moulding:**

Aluminium flange, along with O-rings (for sealing) is assembled on RIP core. A high quality two-part epoxy resin adhesive is filled using automatic pneumatic pistol between flange and RIP active part interface. Epoxy adhesive cures after 12 hours. Test tap stem, connected to last aluminium foil of condenser is embedded while glue filling. Test tap, to enable measurement of capacitance and partial discharge is formed simultaneously by Epoxy adhesive.

### **3. Helium tightness test of RIP core assembly:**

After curing of epoxy adhesive at ambient temperature each RIP core is tested for helium tightness test using fully automatic helium tightness test setup to detect even a microfine leakage, if any, from flange and RIP core interface. Per bushing total test duration is around 30 minutes.

### **4. Electrical testing of RIP cores:**

To check healthiness, each RIP core is subjected to stringent partial discharge measurement test and tan delta measurement test before bushing assembly. Per bushing, total test duration is around 20 minutes.

### **5. Bushing assembly and insulation filling:**

After successful passing of tightness test & electrical tests, RIP core is housed inside composite insulator. The annular space between composite insulator and RIP core is precisely filled with high quality polymer based insulating foam using fully automatic insulation filling machine. In order to maintain controlled rate of rise of insulation, and ensure porosity free casting of insulation, insulating foam is filled under positive pressure of nitrogen gas. Bushing is assembled inside dust free room to eliminate chances of ingress of foreign particles inside insulation. Per bushing time of bushing assembly and insulation filling, including curing time of insulating foam is about 2 days.

### **6. Electrical & physical testing of bushing:**

After foam insulation is cured at ambient temperature, bushing is prepared for electrical testing simulating the service conditions. The remaining process of electrical and physical testing is similar to as described in the manufacturing process of OIP condenser bushing.

### **7. Customer inspection & dispatch:**

Many bushings are retested in the presence of customers, if required by them. After satisfactory inspection and testing, bushings are dispatched to customers.

### **FULLY EQUIPPED IN-HOUSE TESTING FACILITY**

We have two in-house Electromagnetically Shielded High Voltage AC & Impulse Testing laboratories, of following ratings,

- 300kV AC Testing Laboratory.
- 600kV AC & 1500kVp Impulse Testing Laboratory.

The laboratories are equipped with the world's best Test and Measuring Equipments. With laboratories fully equipped with Best in Class the test and measuring equipment's, we are able to perform Routine and Type Tests of Bushings of kV classes up to 245 kV.

Each Bushing is critically routine tested in our laboratories for following stringent routine electrical tests,

1. Lightning & Chopped Lightning Impulse and Switching Impulse Voltage Test.
2. One Minute AC Voltage withstand test.
3. PD (Partial Discharge) measurement & assessment test.
4. Capacitance and Tan Delta measurement.
5. Insulation Resistance Measurement

We also have Narrow Band and Wide Band DFR (Dielectric Frequency Response) Measurement equipment for special evaluation of Insulation assessment of Bushings.

In addition to above routine tests, in order to verify the conformity of Bushing Design for all Mechanical, Thermal & Electrical service conditions following additional tests are carried out inhouse on each bushing design,

1. Cantilever load withstand test

2. Lightning Impulse voltage withstand test
3. Long duration AC voltage withstand test
4. Temperature rise test
5. Oil tightness test

We have a fully equipped Oil Testing Laboratory, to perform critical tests on Oil before using it for Impregnation of dried condenser cores in Autoclave and also before filling oil in the Bushing.

1. Oil Breakdown Voltage test.
2. Oil Tan Delta measurement at various temperatures.
3. Oil Insulation Resistivity Measurement
4. Moisture Content Measurement.
5. Particle Count Measurement



## CAPACITY UTILIZATION

Particulars	3 months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
<b><u>OIP Condenser Bushing</u></b>				
Installed capacity (in no.)	3,700	3,700	3,000	2,200
Actual production (in no.)	689	2,897	2,397	1,293
Capacity utilization (in %)	18.62% <sup>(*)</sup>	78.30%	79.90%	58.77%
<b><u>RIP Condenser Bushings</u></b>				
Total installed capacity (in no.)	3,000	3,000	3,000	2,000
Actual production (in no.)	444	2,905	1,940	1,731
Capacity utilization (in %)	14.80% <sup>(*)</sup>	96.83%	64.66%	86.55%
<b><u>High Current Bushings</u></b>				
Total installed capacity (in no.)	300	300	300	300
Actual production (in no.)	16	90	166	220
Capacity utilization (in %)	5.33% <sup>(*)</sup>	30.00%	55.33%	73.33%

*\*As certified by Rajendrakumar M. Trivedi, Chartered Engineer, by way of their certificate dated September 20, 2024*

*\*Not comparable with previous years since actual production is for the period of three months ended June 30, 2024 and cannot be annualised.*

**KEY PERFORMANCE INDICATORS**

(₹ in lakhs)

Particulars	3 months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
REVENUE FROM OPERATIONS	2,762.88	10,848.08	9,036.21	6,505.71
EBITDA	522.48	2,015.08	1,915.72	1,451.16
EBITDA MARGIN	18.91%	18.58%	21.20%	22.31%
PAT	312.75	1,206.27	1,142.22	871.23
PAT MARGIN	11.32%	11.12%	12.64%	13.39%
NET WORTH	4,526.20	4,213.45	3,208.21	2,450.65
RETURN ON NET WORTH (RoNW)	7.16%	32.51%	40.37%	42.02%
DEBT-EQUITY RATIO (times)	0.28	0.17	0.24	0.30
BUSHINGS SOLD (Units)	1,109	4,538	4,576	3,108
INCREASE IN NUMBER OF CLIENTS (count)	16	48	50	81

KPI	FORMULA
REVENUE FROM OPERATIONS	Revenue From Operations (Excluding Other Income)
EBITDA	EBITDA is calculated as = Profit Before Tax + Depreciation & Amortisation expense + Finance Cost - Other Income
EBITDA MARGIN %	EBITDA Margin (%) is calculated as EBITDA for the year/period as a percentage of Revenue from Operations (%)
PAT	Profit after Tax Means Profit for the period/year as appearing in the Restated Financial Statements. Profit After Tax from Continuing Operations.
PAT MARGIN %	PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations. PAT /Total revenue from operations
NET WORTH	Net Worth is calculated as= Share Capital + Balance in Profit and Loss + Security Premium
RETURN ON NET WORTH (RoNW) %	Return on Net Worth is calculated by comparing the proportion of net income against the amount of average shareholder equity.
DEBT-EQUITY RATIO (times)	Debt to Equity ratio is calculated as Long-Term Debt + Short Term Debt divided by shareholder equity.
BUSHINGS SOLD (Units)	Number of RIP/RIS, OIP and High Current bushings sold have been considered.
INCREASE IN NUMBER OF CLIENTS (count)	The increase in clients added in Financial year 21-22, 22-23 and 23-24 along with 3 month ended June 30 2024.

KPI	Explanation
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 the Company and size of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of our business as it considers all sources of our core income.
EBITDA MARGIN %	EBITDA Margin is an indicator of the operational profitability and financial performance of Company's business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT MARGIN %	PAT margin is an indicator of the overall profitability and financial performance of our business.
NET WORTH	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the Company
RETURN ON NET WORTH (RoNW) %	Return on Net Worth is an indicator of our efficiency as it measures our profitability. It shows how efficiently we generate profits from our shareholders funds.



DEBT-EQUITY RATIO (times)	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
BUSHINGS SOLD (Units)	Number of bushings units which includes RIP/RIS, OIP and High Current bushings has been considered
INCREASE IN NUMBER OF CLIENTS (count)	The increase in number of clients shows that how company is growing, and new clients places their trust on company every year.

## PRODUCT WISE REVENUE BREAKUP

Product Name	3 months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ in lakhs	%	₹ in lakhs	%	₹ in lakhs	%	₹ in lakhs	%
High Current Bushings	120.06	4.35	368.35	3.40	664.00	7.35	250.40	3.85
OIP Condenser Bushings	376.27	13.62	1419.08	13.08	1,201.15	13.29	759.92	11.68
RIP Condenser Bushings	2,094.71	75.82	8841.21	81.50	7,072.55	78.27	5,374.00	82.60
Others <sup>(*)</sup>	171.84	6.22	219.45	2.02	98.51	1.09	121.38	1.87
<b>Total</b>	<b>2,762.88</b>	<b>100.00</b>	<b>10,848.08</b>	<b>100.00</b>	<b>9,036.21</b>	<b>100.00</b>	<b>6,505.71</b>	<b>100.00</b>

\*Includes- OIP Wall Bushings, Oil to Oil Bushings, Retrofitting activities, service charges and other miscellaneous services.

## OUR COMPETITIVE STRENGTHS

### 1. Unique positioning in the Indian Transformer Bushing Market

The global transformer bushing market, comprises of over 300 players spread across roughly hundred countries. This market includes both horizontal players, offering a broad range of products, and verticalized players, specializing in specific niches with integrated business models. Within the high voltage condenser bushings segment, ranging from >36 kV to 245 kV, there are ~15 leading players which includes horizontal players with captive manufacturing facilities of transformer bushings, global players supplying transformer bushing to transformer OEMs along with their additional offerings, and specialized vertical players solely focusing on transformer condenser bushings, adhering to international standards.

A smaller group of 6 verticalized companies exists within condenser transformer bushing segment, characterized by their integrated business models focusing solely on transformer bushings. Notable companies in this group include Yash Highvoltage Insulators, Izolyator Group, ChinSun, RHM International, Bushing (Beijing) HV Electric, and HSP Hochspannungsgeräte. Among the verticalized players, Yash Highvoltage Insulators is well placed with the portfolio to produce IEC, IEEE and ANSI standards and customized RIP, OIP, RIS, and OIC bushings with retrofit and repair capability as compared to global big sized power transformer manufacturers where international standard based condenser bushing has a small portfolio concentration of < 2% and high gestation period for custom built bushings along with slow decision making with funds and centralized strategy growth to channelize from global headquarters.

Correspondingly by voltage range, among all segments, >72.5 kV, <145 kV range is the fastest growing voltage range during FY'19 to FY'24, owing to their application including high-voltage substations, generators to the high-voltage transmission network, high-voltage transmission lines, HVDC converter stations and grid inerties (Ken Research) – The Company product profile is designed to capture the growth in this segment with product profile of High Current, OIP and RIP bushings with rated voltage from 24kV ~ 245 kV.

(Source: Industry Report from Ken Research)

Our Company is a dominant market player in manufacturing OIP condenser bushings up to 245kV and high current bushings up to 25,000 Amperes. We have pioneered the localization of explosion-proof and advanced RIP/RIS bushings through a technology partnership with a Switzerland company who pioneers in the field of solid insulation. We import RIP/RIS bushing cores from Switzerland and use them to produce similar branded bushings for regional markets. Our Company has developed

and supplied transformer bushings that meet IEEE standards for the US market. This showcases our first-mover advantage and strong market position

## 2. Strong industry tailwinds will augment demand for bushings product

*The domestic as well as the international market for bushings is experiencing strong tailwinds. The demand for power in India is influenced by population growth, rapid urbanisation, industrialisation through the “Make in India” initiative of the government, electrification of railways etc. Additionally, India's commitment to renewable energy necessitates a robust grid infrastructure capable of integrating intermittent sources like solar and wind, driving the demand for both traditional and smart transformers. The Indian transformer industry is also witnessing significant technological advancements. The integration of digital solutions enables enhanced monitoring and maintenance capabilities, improving the reliability and efficiency of power distribution.*

*Globally as well the transformer bushing markets is expected to witness significant growth owing to power capacity installation and upgradation across emerging and advanced markets. For e.g. In the USA, the aging power infrastructure is a key driver, with a surge in investments aimed at upgrading and modernizing the electric grid. The push towards renewable energy integration, coupled with increasing electrification, has created a demand for high-performance transformer bushings in the country.*

*(Source: Industry Report from Ken Research)*

## 3. Strong track record of supply and installation creates entry barriers for new players

Transformer bushing business is capital intensive and requires a deep expertise of understanding complex materials like porcelain and conductivity-enhancing metals. The process also demands extensive electrical engineering and transformer design expertise. Additionally, compliance with stringent national and international standards adds to complexity.

Over the past 15+ years, our Company has gained vital experience and has a proven track record in distribution and installation of bushings across the world.

From Fiscal 2022 to 2024, our bushing volumes have grown at a CAGR of 19%. We have added ~ 98 new clients during Fiscal 2024 and Fiscal 2023 reflecting our credentials and customer satisfaction. We've also expanded our international footprint and have exported to ~ 24 countries in the past 3 years

## 4. Long standing and deep relationships with distinguished clientele leading to recurring business

Our distinguished clientele base is a testament to our unwavering commitment to quality, innovation, and reliability in the manufacturing of bushings. Trusted by industry leaders in India and overseas, we have built strong partnerships with major utilities, OEMs, and power companies who rely on our products for critical high-voltage applications. This network not only reflects our technical expertise but also underscores our competitive strength, as we continue to meet the evolving needs of a demanding and dynamic market.

The table below gives a snapshot of repeat customers in terms of value and count:

Particulars	3 months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Repeat customers as a % of Revenue from Operation	96%	96%	98%	97%
Count of Repeat customers as a % of No. of Customers served in that period	74%	65%	69%	63%

We have taken repeat customers as those who have been billed atleast twice anytime during quarter ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022

## 5. Advanced infrastructure, manufacturing facility and R&D capabilities

Our factory has state-of-art manufacturing and testing equipment sourced overseas. This includes automatic winding machines, SCADA-controlled autoclave systems, handling and storage systems, and state-of-the-art testing equipment. Our in-house EHV test laboratory conducts all routine tests and several type tests per IEC 60137:2017 and IEEE standards, ensuring 100% testing of each product before it leaves the factory.

The facility is further supported by integrated ERP systems and advanced 2D-3D design software. We are also developing indigenous dry RIP/RIS bushings. Our R&D division is constantly engaged in developing and launching new products which help us gain competitive advantage in the industry.

## 6. Stringent quality measures and adherence to quality standards

A transformer bushing is one of the most critical components in power infrastructure. While bushings are a small part of the overall cost of a power transformer, their failure can cause severe damage and significant financial losses to the transformer and surrounding substation equipment. Additionally, the downtime caused by a transformer failure leads to further substantial losses due to power outages.

Hence, to prevent such failures and losses, it is important for bushing to adhere to strict quality standards and safety measures. Our strength lies in understanding customer requirements and executing them effectively. This enables us to develop and deliver products that meet customer needs, reducing the risk of future transformer failures.

At our company, we conduct thorough oil processing checks on our bushings, including breakdown voltage, oil PPM, dissipation factor, and resistivity tests. We ensure ambient-controlled assembly of condenser bushings in enclosed spaces, monitoring particle counts for cleanliness. Our team uses advanced 3D modelling and rigorous testing to ensure our bushings meet several global standards, including IEC/IEEE and ANSI standards. We have implemented the ISO 9001 Quality Management System since 2009, which has matured over 15 years to ensure consistent quality.

## 7. Experienced and strong management team and trained workforce

Our company is led and managed by a team of industry veterans and experienced professionals in various aspects of the transformer components industry. We believe that our qualified management team has significantly contributed to the growth of our business operations. Our management team is led by our Managing Director, Mr. Keyur Shah, who has been associated with the transformer components industry for 15+ years. The Company's technical advisory board includes industry experts from transformer bushings and power transmission utilities. They bring significant expertise in engineering and design, operations and production, business management, marketing and branding, quality management, and finance. The Board of Directors come from diverse background and have held key leadership positions in prominent organizations.

## OUR GROWTH STRATEGIES

### 1. Indigenous manufacturing of RIP /RIS bushings

*The latest advancements in dry-type bushings technology, specifically Resin Impregnated Paper (RIP) and Resin Impregnated Synthetic (RIS) bushings, are driving significant growth and demand in the market. The rising demand for RIP bushings is mainly attributed to shift in customer preference from OIP bushings to RIP bushings. RIP bushings are designed to be oil-free, significantly reducing the risk of leaks and fire hazards. Moreover, the solid insulation structure of RIP bushings also provides excellent mechanical strength and resistance to environmental factors, such as moisture and pollution, further extending their lifespan and performance in harsh conditions. Owing to these benefits, the demand for RIP bushings will continue to escalate, with its revenue contribution reaching 70.6% of the global transformer bushing market by CY'34F (Source: Industry Report from Ken Research)*

The global demand for these innovative solutions is rapidly increasing. Companies with indigenous capabilities and robust production capacities in RIP and RIS bushings are strategically positioned to capitalize on this demand surge, gaining a

substantial competitive advantage in the near future. This aligns seamlessly with our Company's business strategy to leverage cutting-edge technology and market trends to secure a leadership position in the industry.

Under this strategy, we plan to launch new indigenous dry RIP bushings of up to a 245kV. The manufacturing process for this innovative technology will utilize a combination of state-of-the-art imported machinery and domestically sourced equipments, ensuring a robust and efficient production setup, such as winding machines, autoclaves, resin handling and impregnation equipment, CNC Machining centres to name a few of them. We expect that the introduction of these indigenous dry RIP bushings will positively impact our order book and enhance our market positioning and our global market share for such products.

## 2. Expanding our global footprint

*Global transformer bushing market was valued at ₹26,960 crores, and is expected to witness a CAGR of 5.6% during 2024-2034F. The global shift towards the development of new renewable energy projects, large scale implementation of smart grids across several countries, and modernization of power distribution network will surge the demand for transformer bushing used as a critical component of transformers during the commissioning of projects. (Source: Industry Report from Ken Research)*

We served ~ 24 countries in the past 3 years with exports accounting for 4.62% of Revenue from Operations during quarter ended June 30, 2024 (4.03% for Fiscal 2024, 1.47% for Fiscal 2023 and 2.86% for Fiscal 2022). Overall export sales have grown at a CAGR of around 53% between Fiscal 2022 to 2024. The potential opportunity in global bushing marketplace coupled with the credentials our Company has built in the export market creates a strong position for the firm to exploit the export market opportunity in the USA and LATAM regions.

## 3. Focus on retrofit and replacement market

*In India, the failure rate of distribution transformers is significantly higher (12-17%) when compared to developed countries (2-3%). Bushing failures are among the top reasons for transformer breakdowns with consequences, such as fires, burning, or explosions (Source: Industry Report from Ken Research). Secondly, bushings have an average lifespan of 30 years depending on service conditions but may require maintenance/ retrofit (replacement) earlier than 30 years, due to several ageing factors e.g., temperature, voltage. There is also a shortage of spare parts for older bushing designs due to legacy models, unavailable original manufacturers or technological advancements. Ageing of transformers would require repairs and restoration services to extend shelf life of such units given the lead time, cost and down-time involved in complete replacement of such unit.*

Our business strategy aims to capitalize on this demand by developing and delivering customized bushing products that precisely meet customer requirements. The bushing replacement and retrofit market offers significant growth opportunities, driven by the substantial demand for customized solutions tailored to meet specific customer needs. Our core expertise in bushings enables us to offer flexible and highly customizable retrofit bushing solutions. Our retrofit solutions not only offer a 1-1 replacement of old bushings with new advance bushings but also an upgrade to advanced dry type bushings from traditional OIP bushings. Our dedicated services team provide on-site "Capacitance and Tan Delta" test services for bushings, aiding in early fault detection and condition monitoring. As a supplier of standard design IEC/IEEE bushings, we are well-positioned to provide both standard and tailored products to our clients, ensuring we meet their specific needs and preferences effectively.

## PLANT AND MACHINERY

For details on Plant and Machinery of our Company, please refer "Note 11 - Property, Plant and Equipment, Intangible assets and Depreciation Schedule" under section titled "Restated Financial Statements" beginning on Page 238 of this Draft Red Herring Prospectus.

## COLLABORATIONS, TIE UPS & JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any collaborations, tie ups or joint venture agreements or arrangements.

## SALES AND MARKETING STRATEGY

Our Company's success depends on our sales and marketing strategy, which is essential for our growth. We excel at building and maintaining strong relationships with both domestic and international clients who have been with us for a long time. Our valued clients, agents, and sales heads actively promote our products abroad.

Our promoters and marketing team work together to build good relationships with customers and ensure timely follow-ups. We believe that delivering timely and quality service is crucial for expanding our sales network. To maintain good customer relations, our promoters and marketing team regularly interact with customers to understand their additional needs. Our main criteria for customer selection are timely payments and consistency in purchases.

We plan to focus and adapt below mentioned sales strategies:

- a. Increase focus on exports & Research, Development and Sales divisions
- b. Introduce complementary product lines and business verticals
- c. Expand existing distribution base and sales agents abroad

## TOP 10 CUSTOMERS

Customer	% of Revenue from Operations			
	3 months ended June 30,2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Customer 1	17.94	4.76	12.07	17.51
Customer 2	15.32	6.07	2.39	-
Customer 3	12.37	12.65	12.50	2.95
Customer 4	10.83	10.46	9.93	9.07
Customer 5	7.75	9.64	9.70	3.20
Customer 6	6.86	10.39	12.33	9.78
Customer 7	4.58	6.91	2.39	4.59
Customer 8	3.33	11.66	10.66	7.68
Customer 9	2.95	-	12.50	24.60
Customer 10	2.09	-	-	-
Customer 11	-	5.08	-	-
Customer 12	-	2.83	-	-
Customer 13	-	-	2.37	2.05
Customer 14	-	-	-	4.36
<b>Total of Top 10 Customers</b>	<b>84.03</b>	<b>80.47</b>	<b>86.83</b>	<b>85.78</b>

## COMPETITION

The Indian Transformer Bushing industry is concentrated among few players. The competition is more intense in HV transformer bushing, with presence of players such as Hitachi Energy, Crompton Greaves, GE T&D India Limited, Yash Highvoltage Ltd., BHEL and few others. The high level of consolidation in the market is due to the following reasons:

- Transformer bushing business is highly capital intensive as establishing a manufacturing unit demands significant financial outlay for specialized machinery and workspace
- Beyond financial hurdles, material expertise is crucial. Transformer bushings require understanding complex materials like porcelain and conductivity-enhancing metals.
- Further, manufacturing bushings that can withstand high voltage and current while maintaining insulation integrity requires extensive electrical engineering and transformer design expertise.
- Commercial advantage and acceptance to quality measures is difficult for any new player as per the acceptable norms of power transformer companies. The order life cycle is between 3-12 months, reflecting delay in delivery in the market once the order book is placed.

- Additionally, compliance with stringent national and international standards adds to complexity. Obtaining necessary certifications can be lengthy and intricate, deterring new players.

The above-mentioned factors, restrict the entry of a new player to enter transformer bushing business in India.

(Source: Industry report from Ken Research)

## INFRASTRUCTURE AND UTILITES

**Raw Materials:** Our primary materials used for OIP bushings are mineral oil, kraft paper, aluminium/brass/copper foils, aluminium/copper/steel components, wood (for packaging) and for RIP bushings: Resin, Crepe paper, Aluminium/Brass/Copper foils, Aluminium/Copper/Steel components, Polyurethane, Wood (for packaging), RIP bushing Body, machined components/castings, fibre glass rovings, porcelain insulators, hollow composite insulators, transformer oil, etc.

Our Company has a robust supplier identification, qualification, and evaluation process. We regularly monitor incoming quality control to ensure high standards. Payment terms with our suppliers range from 30 to 90 days of credit, with some transactions based on letters of credit (LoC) and others as direct payments.

For items affected by commodity pricing, our contracts are tied to the London Metal Exchange (LME) or Bursa Malaysia Exchange (BME) rates for raw materials. The pricing structure separates the cost of raw materials, which is based on current LME/BME rates, from labor and machining costs, which are contracted separately.

We manage vendor orders through our ERP system, which locks in component rates. In case of any change in the rates, system approval supported by documentation from senior officers is required.

Our top ten suppliers of the raw materials & consumable items for F.Y. 2021-22, 2022-23 and 2023-24 and June 30,2024 based on our total purchase were:-

Supplier	% of Purchases			
	3 months ended June 30,2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Supplier 1	55.33	49.76	53.58	47.92
Supplier 2	11.07	8.11	7.68	7.68
Supplier 3	3.84	4.70	5.04	7.58
Supplier 4	2.50	4.48	0.36	
Supplier 5	2.29	1.38		
Supplier 6	1.85	1.51	1.84	2.20
Supplier 7	1.69	2.31		2.46
Supplier 8	1.35			
Supplier 9	1.21	1.21		
Supplier 10	0.90			
Supplier 11		3.32	4.94	2.70
Supplier 12		1.31	3.45	1.06
Supplier 13			1.27	
Supplier 14			1.10	
Supplier 15			1.29	1.23
Supplier 16				1.11
Supplier 17				1.09
<b>Percentage of top 10 Suppliers</b>	<b>82.04</b>	<b>78.07</b>	<b>80.56</b>	<b>75.03</b>

**Power:** The power needed for our operations, including lighting and machinery, is supplied by the Madhya Gujarat Vij Company Limited (the state electricity board).

**Water:** The water required for our manufacturing operations is sourced from bore wells.

**Utilities:** Our offices are fully equipped with computer systems, internet connectivity, communication tools, security measures, and other essential facilities to ensure the smooth functioning of the company.

**Human Resource:** Our employees and the contract staff that work with us are our biggest assets. The quality of our people is pivotal to our success and competitive edge. Skilled engineers, technicians, specialists as well as semi-skilled and unskilled labour force ensure the precision and reliability of the products by leveraging their expertise in materials science, electrical engineering, and manufacturing processes. A highly trained workforce, with continuous development in cutting-edge technologies and safety protocols, directly contributes to maintaining product quality, optimizing production efficiency, and driving innovation. Additionally, a strong emphasis on teamwork, problem-solving abilities, and adherence to industry standards enables our company to consistently meet client expectations and adapt to evolving market demands.

Our Company had 146 full-time employees as of September 30, 2024. We also maintain a healthy count of contract work force which varies depending on business needs.

Following table provides the break-up our employees:

Sr no.	Department	No. of employees
1.	Administration	22
2.	Information Technology	2
3.	Management	1
4.	Planning	3
5.	Procurement	6
6.	Production and Operations	49
7.	Projects	2
8.	Quality Assurance and Inspection	11
9.	Research and Development	4
10.	Sales, Marketing and Business Development	20
11.	Stores	9
12.	Testing	17
	<b>Total</b>	<b>146</b>

## INSURANCE

We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India. However, there can be no assurance that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. If we suffer a large uninsured loss or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and result of operations may be materially and adversely affected.

Sr. No.	Name of the Insurance company	Annual Premium inclusive of Tax (₹)	Type of Insurance	Amount Cover (₹)	Start Date	End Date
1.	Tata AIG General Insurance Company Limited	Rs. 5.63 Lakhs	Commercial General Liability	General Aggregate & Product and Completed Operations: Rs. 250 Lakhs Any One Occurrence and in the Aggregate  Personal and Advertising Injury Limit: Rs. 250 Lakhs Any One Occurrence and in the Aggregate  Fire Damage Limit: Rs. 150 Lakhs per occurrence	May 21, 2024	May 20, 2025

				Medical Expense Limit: Rs. 2 Lakhs per person		
2.	Tata AIG General Insurance Company Limited	Rs. 0.58 Lakhs	Commercial Policy Package (Small Business Solutions) – Retail	Fire Building and/or Contents: Rs. 35 Lakhs Burglary: Rs. 35 Lakhs Money Insurance: Rs. 30 Lakhs	December 19, 2023	December 18, 2024
3.	ICICI Lombard General Insurance Company Limited	Rs. 0.41 Lakhs	Directors and Officers Liability Insurance	Rs. 700 Lakhs	April 30, 2024	April 29, 2025
4.	Life Insurance Corporation of India	Rs. 0.98 Lakhs	Group Gratuity Scheme of Employees	Rs. 20 Lakhs	June 01, 2024	May 31, 2025
5.	Life Insurance Corporation of India	Rs. 6.64 Lakhs	Group Term Plan	Rs. 2,046.44 Lakhs	June 01, 2024	May 31, 2025
6.	Tata AIG General Insurance Company Limited	Rs. 0.85 Lakhs	Group Accident Guard Policy	Rs. 385 Lakhs	November 30, 2023	November 29, 2024
7.	ICICI Lombard General Insurance Company Limited	Rs. 4.66 Lakhs	Business Shield SME Policy	Bharat Laghu Udyam Suraksha – Content: Rs. 3,422.17 Lakhs Bharat Laghu Udyam Suraksha – Building: Rs. 1,286.34 Lakhs Consequential Loss (Fire): Rs. 1,101 Lakhs Electronic Equipment Insurance: Rs. 53.82 Lakhs Machinery Breakdown Insurance: Rs. 800.67 Lakhs Burglary: Rs. 2,311.10 Lakhs Money Insurance: Rs. 5 Lakhs	November 26, 2023	November 25, 2024
8.	Tata AIG General Insurance Company Limited	Rs. 3 Lakhs	Marine Cargo Open Policy	Export: Rs. 394.93 Lakhs Import: Rs. 4,000 Lakhs Domestic Sales: Rs. 7,800 Lakhs	November 30, 2023	November 29, 2024



				Domestic Purchase: Rs. 2,000 Lakhs		
				Domestic Others: Rs. 1,000 Lakhs		
				Capital Goods: Rs. 1,500 Lakhs		
9.	Reliance General Insurance Company Limited	Rs. 0.29 Lakhs	Employees Compensation Insurance Policy	As per Terms of the Policy*	November 11, 2023	November 10, 2024

\*The Policy covers Liability of the Insured under the following Law(s) shown as covered, subject to claim being otherwise admissible as per terms, conditions and exclusions of the Policy and subject to Limit of Indemnity as stipulated against each.

a. Employee's Compensation Act, 1923 and subsequent amendments thereof prior to the date of issue of this Policy

b. The Fatal Accidents Act, 1855


c. Common Law

## INTELLECTUAL PROPERTY

As of the date of this Draft Red Herring Prospectus, the company has registered 4 designs under Class 13-02 with the Controller General of Patents, Designs and Trade Marks for Power Transformer Bushings. Additionally, we have submitted applications for the registration of 4 more designs under Class 13, pertaining to equipment for the production, distribution, or transformation of electricity, with the Controller of Patents & Designs.

Further, following are the details regarding the trademarks registered or objected with Registrar of Trademarks (Issuing Authority):

Sr. No.	Wordmark/ Label	Application Date	Trademark/ Application Number		Current Status	Class of Trademark	Period of Validity
1.	YASH HIGHVOLTAGE	October 23, 2021	5185148		Registered	6	10 years
2.	YASH	October 23, 2021	5185144		Registered	6	10 years
3.	YASH HIGHVOLTAGE	October 23, 2021	5185149		Registered	7	10 years
4.	YASH HIGHVOLTAGE	October 23, 2021	5185150		Registered	9	10 years
5.	YASH	October 23, 2021	5185146		Registered	9	10 years
6.	YASH	October 23, 2021	5185147		Registered	37	10 years
7.	YASH HIGHVOLTAGE	October 23, 2021	5185151		Registered	37	10 years

8.		September 25, 2017	3643856		Objected	7	-
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## LAND AND PROPERTY

### Owned Property

Sr. No.	Details the property and area	Area	Date of Agreement	Seller
1	R.S. No. 84/1/B.1 paiki situated at village Khakaria Taluka- Savli & District Vadodara Gujarat. Surrounded by: East: The Factory and land of Kotyara Industries West: Government Lane North: Open Land Survey No. 87 South: Road Leading towards the Champaner Station.	7000 Sq. Mts.	November 10, 2004	Advance Chilling System Private Limited
2	R.S. No. 84-84/1/A. paiki situated at village Khakaria Taluka- Savli & District Vadodara Gujarat.  Surrounded by: East: Survey No.84/1/B paiki West: Road North: Survey No.84/1/A South: Compound Wall of Yash HighVoltage Limited and Wall of Lucky Saw Mill.	7,033 Sq. Mts.	December 30, 2021	Dharamshi Danabhai Patel
3	Plot No. 32-A, in Suncity Industrial Park, Village: Haripura, Taluka: Savli, District: Vadodara.  Surrounded by:  East: Plot No. 31 West: Common Plot No. 10 North: Plot No. 32/B and Plot No. 32/C South: Plot No. 25	13,055 Sq. Mts.	July 01, 2024	Hamraz Food Products Private Limited

### Leave and License Property

The following table sets for the properties taken on rent by us:

Sr. No.	Location of the property and area	Purpose	Document and Date	Licensor	Rent/ License Fee (in ₹) per month	License period	
						From	To
	PO: Khakhariya, Savli, Vadodara-391510  Area: 224 Sq. ft.	Guest house	Leave and License Deed executed on January 08, 2024	Mrs. Patel Ranjanben Pravinkant	Rs0.03 lakhs/- per month.	December 01, 2023	October 30, 2024

2.	Flat No. 7, Parita Park, Near Natubhai Circle, Race Course, Vadodara  Area: 1740 Sq.ft.	Guest house	Leave and License Deed executed on April 01, 2023	Ketankumar Krishnakant Parikh	Rs.0.28 Lakhs per month. with 5% increase in license fees every 11 months.	April 01, 2023	August 31, 2025
3.	6 <sup>th</sup> Floor, 601-602, Ozone Sarabhai Compound, Vikram Sarabhai Marg, Nr. Genda Circle, Wadiwadi Gorwa, Vadodara-390003 Gujarat.  Area: 138.98 Square Meters	Office Use/ Administrative Purpose.	Leave and License Deed executed on June 21, 2023	Mr. Indra Tripathi	Rs. 1.23 Lakhs per month with 7% increase in license fees after end of every year.	June 17, 2023	June 16, 2028
4.	6 <sup>th</sup> Floor, 603, Ozone Sarabhai Compound, Vikram Sarabhai Marg, Nr. Genda Circle, Wadiwadi Gorwa, Vadodara-390003 Gujarat.  Area: 168.80 Square Meters	Corporate Office	Leave and License Deed executed on April 29, 2024	Mr. Keyur Girishchandra Shah & Mrs. Twinkle Keyur Shah	Rs. 1.75 Lakhs per month with 7% increase in license fees after end of every year.	May 01, 2024	April 30, 2029

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.*

*Taxation statutes such as the Income Tax Act, 1961, the Customs Act, 1962 and the relevant goods and service tax legislation apply to us as they do to any Indian company. For details of government approvals obtained by our Company, see “Government and Other Approvals” beginning on page 296.*

*The information detailed in this section, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information in this section has been obtained from publications available in the public domain.*

*The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative or judicial decisions.*

### INDUSTRY-SPECIFIC LEGISLATIONS APPLICABLE TO OUR COMPANY

#### ***Remission of Duties and Taxes on Exported Products Scheme (“RoDTEP Scheme”)***

The RoDTEP Scheme has been with effect from January 1, 2021. The aim of the RoDTEP Scheme was to reimburse all exporters for previously non-reimbursable taxes and duties. This provides new benefits to exporters for exporting products outside of India and encourages global trade. Under the RoDTEP Scheme, support will be provided to eligible exporters at a notified rate as a percentage of Freight on Board (“FOB”) value. Mandi tax, VAT, coal cess, central excise duty on fuel etc. is refunded. The refund is issued in the form of transferable electronic scrips. These duty credits will be maintained and tracked through an electronic ledger. Certain categories, which would not avail the benefits include export goods that are subject to minimum export price, restricted and prohibited items, deemed exports, supplies of goods manufactured by domestic tariff area units to Special Economic Zones (“SEZs”), and products manufactured or exported by units situated in SEZs

#### ***The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019***

The Gujarat Shops & Establishments (Regulation of Employment and Conditions of Service) Act, 2019 (“2019 Act”) was published in the gazette of the State of Gujarat on Mar 7, 2019 and has been in force from May 1, 2019. The shops and establishments already validly registered under the erstwhile 1948 Act are not required to register themselves afresh under the new Act until the expiry of the previous registration. Traders and businessmen having up to 9 workers are exempt from registration. Such employers are required to submit an online application along with self-certified documents within 60 days of commencement of business. As regards shops and establishments having 10 or more workers, an application for registration, self- declaration and self-certified documents must be submitted to the concerned Inspector along with prescribed fees within 60 days of commencement of business. Once registered under the 2019 Act, the shops/establishments shall remain validly registered until there is change in ownership or nature of business. This means the registration obtained shall not be required to be renewed.

#### ***The Gujarat Fire Prevention and Life Safety Measures Act, 2013***

A legislation is proposed to establish comprehensive measures ensuring fire prevention, safety, and the protection of life and property in diverse structures such as buildings, temporary structures, shamiyanas, tents, or mandaps that pose a potential fire hazard in various areas within the State of Gujarat. This includes provisions for a fire service fee, the creation of a special fund, and other related matters or occurrences. The enactment aims to address the need for effective safeguards against the risk of fire and to manage associated concerns in the specified regions of Gujarat.

#### ***Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 (“Safety and Electric Supply Regulations”)***

The Safety and Electric Supply Regulations lay down general safety requirements with respect to electric supply lines and apparatus, including meters, switchgears, switches and cables. It requires all electric supply lines and apparatus to have adequate rating for power, insulation and estimated fault current and be of adequate mechanical strength for the duty cycle such apparatus may be required to perform and are required to be constructed, installed, protected, worked and maintained in

a manner that will ensure safety of human beings, animals and property. It further requires all electric material and apparatus to conform to the relevant specifications prescribed by the BIS or the International Electro-Technical Commission, as applicable. Further, the Safety and Electric Supply Regulations mandates the installation of suitable switchgear in each conductor of every service line within a consumer's premises, excluding earthed, earthed neutral or earthed external conductor and also requires that such switchgear be encased in a fireproof receptacle.

## **ENVIRONMENTAL LAWS**

### ***The Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986***

The Environment (Protection) Act, 1986 was enacted to act as an "umbrella" legislation, designed to provide a frame work for coordination of the activities of various central and state authorities as established under previous laws. The Environment (Protection) Act, 1986 authorises the Central Government to protect the environment by controlling and reducing pollution.

### ***The Air (Prevention and Control of Pollution) Act, 1981, ("Air Act") and The Air (Prevention and Control of Pollution) Rules, 1982 ("Air Rules")***

The Air Act and Air Rules was enacted and designed for the prevention, control, and abatement, of air pollution, and establishes Central and State pollution control boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions, must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any such activity.

### ***The Water (Prevention and Control of Pollution) Act, 1974, ("Water Act"), The Water (Prevention and Control of Pollution) Rules, 1975 ("Water Rules"), and, the The Water (Prevention and Control of Pollution) Cess Act, 1977 ("Water Cess Act") and The Water (Prevention and Control of Pollution) Cess Rules, 1978 ("Water Cess Rules")***

The Water Act was enacted to provide for the prevention and control of water pollution. Further, the Water Act also provides for the establishment of boards with a view to carrying out the aforesaid purpose, and for conferring on and assigning to such boards, the powers and functions relating thereto. In addition, the Water Cess Act was enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industrial activities, and by local authorities, with a view to augment the resources of the aforementioned central board and state boards, for the prevention and control of water pollution.

### ***National Environmental Policy, 2006***

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

### ***The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016***

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended (the "Hazardous Wastes Rules") impose an obligation on every occupier of a facility generating hazardous waste for safe and environmentally sound handling of such waste at the facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain an approval from the applicable state pollution control board. The occupier, the importer, the transporter and the operator of such facility are liable to the environment or third party resulting from the improper handling and disposal of such waste. The Hazardous Wastes Rules permit for aluminium and zinc scrap to be imported without the permission of the Ministry of Environment, Forest and Climate Change to users and traders, who have obtained the one-time permission from the applicable state pollution control board.

### ***The Public Liability Insurance Act, 1991 & The Public Liability Insurance Rules, 1992***

The Public Liability Act, 1991 & The Public Liability Insurance Rules, 1992 imposes liability on the owner or controller of hazardous substances for death or injury to any person (other than a workman) or any damage to property arising out of an

accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to obtain an insurance policy insuring him against liability under the legislation. The Public Liability Insurance Rules, 1991 mandate that the owner has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

## **TAX LAWS**

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

Income Tax Act, 1961 is applicable to every domestic or 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. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

### ***Goods and Service Tax (“GST”)***

Goods and Service Tax (“GST”) GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST is levied as Dual GST separately but concurrently by the Union (central tax - CGST) and the States (including Union Territories with legislatures) (State tax - SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament has exclusive power to levy GST (integrated tax IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India.

### ***Central Goods and Services Tax Act, 2017 (“CGST Act”)***

CGST Act regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs.

### ***Gujarat (State) Goods and Services Tax Act, 2017 (“SGST Act”)***

The Gujarat Government passed the Gujarat Goods and Services Tax Act, 2017 (SGST Act) for regulating the levy and collection of tax on the intra-State supply of goods and services. The SGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within the prescribed time as mentioned in the said Act from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs.

### ***The Integrated Goods and Services Tax Act, 2017 (“IGST Act”)***

The IGST Act regulates the levy and collection of tax on the inter-State supply of goods and services by the Central Government or State Governments. It also includes the import and export of goods and services. The IGST Act mandates every supplier providing the goods or services be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration.

### ***The Customs Act, 1962***

All the laws relating to customs are consolidated under the Indian Customs Act, 1962. The provisions relating to appointment of customs ports, airports, warehousing stations are laid down under the Act. There shall be absolute or partial prohibition on import or export of goods by the Central Government for maintenance of security in India. The interest on levy of or exemption of customs duty is laid down under Chapter V of the Act. The clearance of imported goods and export shall not apply to baggage and goods imported or to be exported by post.

### ***The Gujarat State Tax on Professions, Trade, Callings and Employments Act,1976***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the

Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

## **FOREIGN INVESTMENT LAWS**

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

The foreign investment in our Company is governed by, inter alia, the Foreign Exchange Management Act (“FEMA”), as amended, the FEMA Rules, the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) effective from October 15, 2020, issued and amended by way of press notes, which prescribe certain requirements with respect to downstream investments by Indian companies that are owned or controlled by foreign entities and with respect to foreign investment into India and transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to foreigners, as well as such transactions between foreigner. These requirements currently include restrictions on pricing, issue, transfer, valuation of shares and sources of funding for such investments, and may, in certain cases, require prior notice to or approval of the Government of India. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which the foreign investment is sought to be made.

### ***The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder (“FTA”)***

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Indian Foreign Trade Policy, 2015-20 (extended till March 31, 2023) provides that no person or company can make FTPs or imports without having obtained an importer exporter code (“IEC”) number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce (“DGFT”). An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

## **LABOUR LAW LEGISLATION**

### ***The Factories Act, 1948***

The Factories Act defines a ‘factory’ to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

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

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the Industrial Policy dated July 24, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum (“IEM”) with the Secretariat for Industrial

Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

### ***The Gujarat Factories Rules, 1963***

The Gujarat Factories Rules, 1963 (the "Rules") seek to regulate labour employed in factories in the State of Gujarat and makes provisions for the safety, health and welfare of the workers. Under the Rules, the occupier or manager of every factory is required to obtain previous permission for the construction or extension of a factory from the Chief Inspector of Factories. The occupier or manager is required to obtain certificate of stability and registration and notice of occupation for the factory. The Rules also requires inter alia the maintenance of various registers dealing with health, holidays and extent of child labour, white washing, humidity, workers attending machinery. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Maternity Benefit Act, 1961, Child Labour (Prohibition and Regulation) Act, 1986 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to rationalize and reform labour laws in India, the Government has enacted the following codes\*:

- a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Certain provisions of this code pertaining to central advisory board have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020, and other provisions of this code will be brought into force on a date to be notified by the Central Government.
- b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes received the assent of the President of India on September 28, 2020. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947. The provisions of this code will be brought into force on a date to be notified by the Central Government.
- c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's Compensation Act, 1923, Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others. The Social Security Code received the assent of the President of India on September 28, 2020. Section 142 of the Social Security Code has been brought into force from May 3, 2021, by the Ministry of Labour and Employment, Government of India, ("MLE") through a notification dated April 30, 2021. The MLE, vide a notification dated May 3, 2023, as the effective date for enforcing certain provisions of the Social Security Code relating to the employees' pension scheme, inter alia, (a) to empower the Central Government to frame a scheme to be called the employees' provident fund scheme; and (b) to subsume certain provisions of the Employees' Pension Scheme, 1995 ("EPS") with the Social Security Code, and repeal the corresponding provisions pertaining to EPS under the EPF Act.
- d) The Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. It consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces certain old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970, the Factories Act, 1948, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.



\* *The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.*

***Apprentices Act, 1961***

The Apprentices Act was enacted in 1961 for imparting training to apprentices i.e. a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

**PROPERTY LAWS**

***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 was intended to define and amend the existing laws and not to introduce any new principle. It applies only to voluntary transfers. The Transfer of Property Act, 1882 provides a clear, systematic and uniform law for the transfer of immovable property. Transfer of property means an act by which a person conveys the property to one or more persons, or himself and one or more other persons. The act of transfer may be done in the present or for the future. The person may include an individual, company or association or body of individuals, and any kind of property may be transferred, including the transfer of immovable property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The Transfer of Property Act, 1882 recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

<b>Sale</b>	The transfer of ownership in property for a price, paid or promised to be paid.
<b>Mortgage</b>	The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The Property Act recognizes several forms of mortgages over a property.
<b>Charges</b>	Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
<b>Leases</b>	The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
<b>Leave and License</b>	The transfer of a right to do something upon immovable property without creating interest in the property. Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

***Registration Act, 1908***

The Registration Act, 1908 has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act, 1908 is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act, 1908 identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the Property Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

***Indian Stamp Act, 1899***

Under the Indian Stamp Act, 1899 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 Indian

Stamp Act, 1899 at the rates specified in the schedules to the Indian Stamp Act, 1899. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Indian Stamp Act, 1899, 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.

### ***Gujarat Stamp Act, 1958***

The purpose of ***Gujarat Stamp Act, 1958*** was to streamline and simplify transactions of immovable properties and securities by the State Government. The ***Gujarat Stamp Act, 1958*** provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Gujarat Stamp Act, 1958. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable 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 state.

## **INTELLECTUAL PROPERTY LEGISLATIONS**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970;
- The Copyright Act, 1957;
- The Trade Marks Act, 1999
- The Designs Act, 2000

### ***The Patents Act, 1970***

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### ***The 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.

### ***Trade Marks Act, 1999 (hereinafter referred to as the 'TM Act')***

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### ***Designs Act, 2000 ("DA") and the Designs Rules, 2001 ("DR")***

The DA regulates and protects the originality of an article's design and prohibits the piracy of registered designs. The primary objective of the DA is to protect new or original designs from getting copied, and ensure that the creator, originator or artisan of the design is not deprived of their rightful gains for the creation of their design. The Central Government also drafted the DR under the authority of the DA for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees, register for designs, classification of goods, address for service, restoration of designs, etc.

## **COMMERCIAL LAWS**

### ***New Gujarat Industrial Policy 2020***

New Gujarat Industrial Policy 2020 was made effective from August 07, 2020 for a period of five years to make Gujarat a Global Business Destination for next-generation sustainable manufacturing & service industry driven by state-of-the-art infrastructure, employment generation, inclusive & balanced regional development and thereby contribute significantly to “Aatmanirbhar Bharat”.

The Gujarat Industrial Policy, 2020 aims to establish a business environment facilitated by a single window system to encourage industries to set high quality standards, facilitates inclusive and balanced regional growth, sustainable manufacturing and innovative industry practices. Additionally, the policy intends to strengthen MSME’s and complete value chain across product segment with an objective of “Atmanirbhar Bharat”. Further, it strengthens R&D, innovation and entrepreneurship, provide increased impetus to certain Thrust Sectors with significant potential for employment, exports, investments etc. And facilitates growth of service sector industries in the State. The policy provides various measures have undertaken various measures and regulatory reforms to enhance ease of doing business in Gujarat State. It aims to facilitate a process for the speedy issuance of various licenses, clearances and certificates required for setting up a business unit.

### ***The Companies Act, 2013***

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on August 29, 2013. At present almost all the provisions of this law have been made effective except a few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Companies Act, 2013 provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### ***SEBI Regulations***

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, Securities Contract (Regulations) Rules, 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

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

The Indian Contract Act, 1872 occupies the most important place in the commercial law. Without Indian Contract Act, 1872, it would have been difficult to carry on trade or any other business activity and in employment law. It is not only the business community which is concerned with the Indian Contract Act, 1872, but it affects everybody. The objective of the Indian Contract Act, 1872 is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

### ***Competition Act, 2002***

The Competition Act, 2002 aims to anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The act deals with prohibition of agreements and anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstance as mentioned under the act. The prima facie duty of the Competition Commission established under the act I to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade.

### ***The Sale of Goods Act, 1930 (Sale of Goods)***

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. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or

immediate payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer's right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

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

This act was enacted by Parliament in the 47<sup>th</sup> year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act are to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimise the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

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

Negotiable Instruments Act, 1881 was enacted to legalize the system by which instruments contemplated by it could pass from hand to hand by negotiation like any other goods. The purpose of the act was to present an orderly and authoritative statement of leading rules of law relating to the negotiable instruments. To achieve the objective of the act, the legislature thought it proper to make provision in the act for conferring certain privileges to the mercantile instruments contemplated under it and provide special procedure in case the obligation under the instrument was not discharged.

### ***Specific Relief Act, 1963***

The Specific Relief Act, 1963 is complimentary to the provisions of the Indian Contract Act, 1872 and the Transfer of Property Act, 1882, 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.

### ***Limitation Act, 1963***

The law relating to law of limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on October 05, 1963 and which came into force from January 01, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, 'period of limitation' means the period of limitation prescribed for any suit, appeal or application by the schedule, and 'prescribed period' means the period of limitation computed in accordance with the provisions of this Act.

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

The Consumer Protection Act, 2019 has repealed the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services and unlawful pricing. It provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attract criminal penalties. The Consumer Protection Act, 2019, has, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers and provides for mediation cells for the early settlement of disputes between the parties. It places liability on a product manufacturer / product service provider / product seller to compensate for the harm caused due to a defective product or deficiency in services. The Consumer Protection Act also enables the Central Government to take measures for preventing unfair trade practices in e-commerce

### ***The Micro, Small And Medium Enterprises Development Act, 2006 (The “MSME Act”)***

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”) 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 has been 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.

### ***Electricity Act, 2003***

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

### ***The Legal Metrology Act 2009***

The Legal Metrology Act, 2009 (“LMA”) provides for establishing uniform standards of weights and measures regulate trade in weights, and other goods which are sold or distributed by weight, measure or number. Every manufacturer, repairer and seller shall have to obtain a license from the respective Controller. The Act allows Government approved test centers to verify weights and measures.

### **OTHER APPLICABLE LAWS**

In addition to the above, we may be governed by the provisions of the fire-safety related laws, contract act, foreign trade laws and other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for our day to day business, operations and administration

## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### Corporate Profile and Brief History of our Company

Our Company was originally incorporated as a private limited company under the Companies Act 1956 in the name and style of “Yash Highvoltage Insulators Private Limited” pursuant to certificate of incorporation dated June 06, 2002 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting, held on February 05, 2018, the name of our Company was changed to “Yash Highvoltage Private Limited” vide a fresh Certificate of Incorporation dated February 13, 2018 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on February 19, 2018, our Company was converted into a public limited company and consequently the name of our Company was changed from “Yash Highvoltage Private Limited” to “Yash Highvoltage Limited” vide a fresh certificate of incorporation dated March 07, 2018 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad, bearing CIN U40109GJ2002PLC040833.

The Company is engaged in the manufacturing and distribution of wide range of transformer bushings – Oil Impregnated Paper [OIP] condenser bushing, Resin Impregnated Paper [RIP] / Resin Impregnated Synthetic [RIS] condenser bushing, High Voltage and High Current bushing, OIP Wall bushing and Oil to Oil bushing. The Company also undertakes repairing, retrofitting and replacement services of old bushings. Our manufacturing facility has an annual installed capacity to produce 7,000 bushings bifurcated into 3,700 units of OIP Bushings, 3,000 units of RIP Bushings and 300 units of High Current Bushings. The factory is fully equipped with in-house quality testing facilities.

As on the date of this Draft Red Herring Prospectus, Mr. Keyur Girishchandra Shah is the Promoter of our Company. For further capital built-up information, please refer to the section titled “*Capital Structure*” beginning on page 84 of this Draft Red Herring Prospectus.

For information on our Company’s business profile, activities, services, managerial competence, customers, growth, technology, marketing strategy, competition, our clients, the standing of our Company with reference to prominent competitors refer to the sections titled, ‘*Our Business*’, ‘*Our Industry*’, ‘*Financial Information*’, ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ and ‘*Government and Other Approvals*’ beginning on pages 167, 130, 238, 278 and 296 respectively of this Draft Red Herring Prospectus.

### Changes in Registered Office

Our Registered Office is currently situated at 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India.

Except as mentioned below, there has been no change in the Registered Office address as on the date of this Draft Red Herring Prospectus.

From	To	Effective Date	Reason
30 Alpana Society, Behind Hotel Neelkamal, Halol-389350, Dist: Panchmahal, Gujarat, India	Vimal Tirth, 461, Residential Plot, P O GIDC, Halol- 389351, Dist: Panchmahal, Gujarat, India.	January 27, 2005	For administrative convenience
Vimal Tirth, 461, Residential Plot, P O GIDC, Halol – 389351, Dist: Panchmahal, Gujarat, India.	84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India*	April 24, 2008	For administrative convenience

\* The registered office of the company was changed, with effect from April 24, 2008, from Vimal Tirth, 461, Residential Plot, P O GIDC, Halol- 389351, Dist: Panchmahal, Gujarat, India. to 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India. However, inadvertently, the plot number that was reflected in the master data of the MCA was 841/B/1 instead of 84/1B. The Board of Directors noted this discrepancy and rectified it by passing board resolution on April 05, 2018 and filed the E-Form INC-22 on April 05, 2018 to rectify the error in MCA record with effect from April 05, 2018.

## Corporate Office-Address at which the books of accounts are maintained

Our Corporate Office is currently situated at 603, 6th floor, Ozone Complex, Sarabhai Compound, Dr. Vikram Sarabhai Marg, Subhanpura, Vadodara-390023, Gujarat, India.

## Main Objects of our Company

The main objects of our Company, as contained in the Memorandum of Association are as follows:

1. To carry on the business of design, manufacture, engineering, conversion, reconditioning, repair, testing of extra high voltage products, used in power transmission and distribution.
2. To carry on the business of design, development, proto typing of extra high voltage equipments, import, export, buying, selling of iron and steel, copper, brass, aluminum, and other ferrous as well as non-ferrous metals in semi and fully finished conditions, buying, selling and processing of insulating materials such as electrical porcelain, kraft paper, press board, epoxy resin, polyester, resin, plastics, capacitor tissue paper, transformer oil, silica, silicon rubber and other insulating polymers or respective substitutes or equivalents.

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Set out below are the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' Meeting	AGM/ EGM	Particulars of Changes in Memorandum of Association
January 22, 2018	EGM	Clause V of our Memorandum of Association was amended to reflect the change in the Authorised Share Capital of the Company from ₹ 50,00,000/- (Rupees Fifty Lakhs Only) divided into 5,00,000 (Five Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each to ₹ 3,50,00,000/- (Rupees Three Crore and Fifty Lakhs Only) divided into 35,00,000/- (Thirty-Five Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each by creating additional 30,00,000 (Thirty Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only).
February 05, 2018	EGM	Clause I of our Memorandum of Association was amended to reflect the change in our name from "Yash Highvoltage Insulators Private Limited" to "Yash Highvoltage Private Limited".
February 19, 2018	EGM	Clause I of our Memorandum of Association was amended to reflect the change in our name from "Yash Highvoltage Private Limited" to "Yash Highvoltage Limited" pursuant to conversion of our Company from a private limited company to a public limited company.
March 30, 2018	EGM	Clause III(B) of the MoA was amended to reflect the following changes:  In the heading of Clauses III(B), the words " <b>THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS</b> " were substituted by the words " <b>Matters which are necessary for furtherance of the objects specified in clause III(A) are:</b> "
		The following entire Clause III (C) of the MoA was deleted:  " <b>(C) THE OTHER OBJECTS NOT INCLUDED IN (A) AND (B) ABOVE:</b> <ol style="list-style-type: none"> <li>1. To carry on the business of manufacturers, importers, exporters,.....</li> <li>2. ....</li> <li>3. ....</li> <li>.....</li> <li>56. To carry on business of import,.....distribution marketing, selling, logistic."</li> </ol>

Date of Shareholders' Meeting	AGM/ EGM	Particulars of Changes in Memorandum of Association
		Clause IV of the MoA was substituted by the following:  <i><b>"IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."</b></i>
April 19, 2024	EGM	Adoption of the New set of Memorandum of Association in substitution of the existing memorandum of association and to completely substituting Clause III(B) <b>"Matters which are necessary for furtherance of the objects specified in clause III(A)"</b> containing the sub-clause no.1 to 46 with New clause III (b) <b>"Matters which are necessary for furtherance of the objects specified in clause III(a)"</b> containing the sub-clause no.1 to 37.
		Clause V of our Memorandum of Association was amended to reflect the change in the Authorised Share Capital of the Company from ₹ 3,50,00,000/- (Rupees Three Crore and Fifty Lakhs Only) divided into 35,00,000 (Thirty-Five Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each to ₹ 7,50,00,000/- (Rupees Seven Crore and Fifty Lakhs Only) divided into 75,00,000 (Seventy-Five Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each by creating additional 40,00,000 (Forty-Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only).
July 08, 2024	AGM	Clause V of our Memorandum of Association was amended to reflect the change in the Authorised Share Capital of the Company from ₹ 7,50,00,000/- (Rupees Seven Crore and Fifty Lakhs Only) divided into 75,00,000/- (Seventy-Five Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each by creating additional 1,25,00,000 (One Crore and Twenty-Five Lakhs) Equity Shares having face value of ₹ 10/- (Rupees Ten Only).
July 08, 2024	AGM	Clause V of our Memorandum of Association was amended to reflect the change in Authorised Share Capital of the Company due to sub-division of 1(One) equity share of the Company having a face value of ₹10/- (Rupees Ten only) each into 2 (Two) equity shares having a face value of ₹ 5/- (Rupees Five only) each. The Authorized Share Capital of the Company was altered from ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000/- (Two Crores) Equity Shares having face value of ₹ 10/- (Rupees Ten Only) each to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 4,00,00,000 (Four Crores) Equity Shares of ₹ 5/- (Rupees Five Only) each.

#### ADOPTING NEW ARTICLES OF ASSOCIATION OF OUR COMPANY

Our Company has adopted a new set of Articles of Association of our Company in accordance with applicable provisions of the Companies Act 2013, in an EGM of our Company dated April 19, 2024.

#### MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Event
2002	Our Company was incorporated as a private limited company under the name of "Yash Highvoltage Insulators Private Limited".
2012	The majority shareholding in the Company i.e. 69.86% has been acquired by our Promoter i.e., Keyur Girishchandra Shah. For further details, kindly refer to 'Capital Structure' on Page No. 84.
2016	Our Company launched a new product line i.e., RIP Transformer Bushing and dry type RIP/RIS bushing in collaboration with M/s. MGC Moser Glaser AG, Switzerland.
2018	The name of our Company was changed from "Yash Highvoltage Insulators Private Limited" to "Yash Highvoltage Private Limited"



	Our Company was converted into Public Limited Company under the name of “Yash Highvoltage Limited”
2021	Our Company achieved the milestone of ₹ 3,700 Lakhs from Revenue from Operations.
2022	Our Company achieved the milestone of ₹ 6,500 Lakhs from Revenue from Operations.
2023	Our Company achieved the milestone of ₹ 9,000 Lakhs from Revenue from Operations.
2024	Our Company achieved the milestone of ₹ 10,848 Lakhs in Revenue from Operations.

#### Key awards, accreditations or recognition

Calendar Year	Particulars
2009	ISO 9001:2015 Certificate for design, manufacture and supply of transformer bushings and FRP Cylinder.
2013	Certificate of Merit by the Federation of Gujarat Industries for our exceptional work in Research in Science & Technology, specifically for the indigenous development of High Current Transformer Bushings and Fiber Glass Products aimed at import substitution.
2016	Certificate of Merit for excellence in the field of Outstanding MSME from Federation of Gujarat Industries (FGI) in 2016 at the “FGI Awards for Excellence 2015”.
2016	Received Switch Global Expo 2016 Participation certificate for exhibiting products and services at the SWICH Global Expo 2016 organised by Federation of Gujarat Industries (FGI) from 6 <sup>th</sup> to 10 <sup>th</sup> October 2016, at Vadodara.
2017	Featured in the special edition on Bushings - November 2017 of the international magazine “Transformers” wherein the features of our products were highlighted.
2019	Certificate of Appreciation awarded in 2019 during the Vendor Meet-2019 by Bharat Heavy Electricals Limited (BHEL), Jhansi for the best supplier in the category “For carrying out Import substitution under Make in India Initiative” for supplying products to BHEL.
2020	Certificate of Honour presented as distinguished guest on the occasion of Exclusive Program for SMEs on “Enhancing Export- to \$200 Billion” in Vadodara organised on January 30, 2020 by INDIA SME FORUM, Gujarat Chapter, United Growth Foundation.
2023	Appreciation for Development is awarded by Bharat Heavy Electricals Limited (BHEL) for development made for RIP Bushing (245 kV) in BHEL SAMVAAD 3.0 organised on November 09, 2023.
2024	<ul style="list-style-type: none"> <li>• Accreditation by the National Accreditation Board for Testing and Calibration Laboratories, for compliance with the ISO/IEC 17025:2017 standard, which outlines the general requirements for the competence of testing and calibration laboratories.</li> <li>• Certificate of Recognition awarded for establishing new product development &amp; creating value to customer awarded by GE T&amp;D India Limited in Global Supplier Partner Conference organised on September 26, 2024.</li> <li>• Awarded for Valuable contribution in ‘Mission for Conservation of Transformers’ organised by TRAF0 CARE on February 6-7, 2024.</li> </ul>

#### HOLDING COMPANY OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

#### SUBSIDIARY OF OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary companies.

#### ASSOCIATE COMPANY

As on the date of this Draft Herring Prospectus, our Company does not have any associate company.

#### JOINT VENTURE OF OUR COMPANY

As on the date of this Draft Herring Prospectus, our Company does not have any Joint Venture.

#### CAPACITY OR FACILITY CREATION AND LOCATIONS OF PLANTS

For details pertaining to capacity / facility creation, location of plant refers section “*Our Business*” on page 167 of this Draft Red Herring Prospectus.

#### **TIME AND COST OVER-RUNS IN SETTING UP PROJECTS**

There have been no time or cost overruns in the setting up of projects by our Company since incorporation.

#### **DEFAULTS OR RE-SCHEDULING OF BORROWINGS**

As on the date of this Draft Red Herring Prospectus, there has been no default or re-scheduling/ re-structuring of borrowings availed by our Company from any financial institutions or banks.

#### **SIGNIFICANT STRATEGIC PARTNERS**

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant strategic partner.

#### **SIGNIFICANT FINANCIAL PARTNERS**

Apart from the various arrangements with the bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Red Herring Prospectus.

#### **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS**

For details regarding key products or services launched by our Company, entry into new geographies or exit from existing markets, please refer the section titled ‘*Our Business*’ beginning on page 167 of this Draft Red Herring Prospectus.

#### **DETAILS REGARDING MATERIAL ACQUISITIONS OR MERGERS, AMALGAMATIONS IN THE LAST 10 YEARS**

As on date of this Draft Red Herring Prospectus, our Company has neither made any material acquisitions nor entered into any scheme of merger, amalgamations in the last 10 years.

#### **DETAILS REGARDING DIVESTMENTS OF BUSINESS/ UNDERTAKINGS IN THE LAST 10 YEARS**

As on date of this Draft Red Herring Prospectus, our Company has not divested any business/ undertaking in the last 10 years.

#### **ANY REVALUATION OF ASSETS, IN THE LAST 10 YEARS**

As on date of this Draft Red Herring Prospectus, our Company has not re-valued its assets in the last 10 years.

#### **COLLABORATION AGREEMENTS**

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any collaboration agreements.

#### **SHAREHOLDERS’ AGREEMENTS AND OTHER AGREEMENTS**

##### **Summary of Shareholders’ Agreement:**

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholders’ agreements amongst our Shareholders vis-a-vis our Company, which our Company is aware of.

##### **Other Agreements:**

*Share Purchase Agreement dated April 30, 2024 (“SPA-I”) executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) (“Transferor”) and Negen Undiscovered Value Fund acting through its Investment Manager ‘Negen Capital Services Private Limited’ (“Transferee”)*

SPA-I was executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) and Negen Undiscovered Value Fund pursuant to which Transferor has sold 2,76,926 Equity Shares of face value of ₹10/- each to Transferee for cash at a price of ₹ 216.67 per Equity Shares for an aggregate consideration of ₹ 600.01 lakhs.

The key terms of the SPA-I are as under:

1. The Company has agreed to arrange to make an initial public offering (IPO) of the Equity Shares of our Company within 12 (twelve) months from the closing date (*as defined under respective Share Purchase Agreement*).
2. It has been further agreed by the parties that in the event the Company fails to make an IPO within 12 (twelve) months from the closing date or if the Board or its appointed committee determines that the Company shall not proceed with the IPO, the Transferee shall have the following option, at its sole discretion:
  - (a) require the Transferor to purchase the transfer shares held by the Transferee at a price which provides an IRR of 15% to the Transferee; or
  - (b) continue to hold the transfer shares in the Company on the terms and conditions decided mutually between the Parties at that time.
3. The Share Purchase Agreements will automatically be terminated upon listing of the Shares of the Company pursuant to IPO.

***Share Purchase Agreement dated April 30, 2024 (“SPA-II”) executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) (“Transferor”) and Visionary Value Fund (“Transferee”)***

SPA-II was executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) and Visionary Value Fund pursuant to which Transferor has sold 46,154 Equity Shares of face value of ₹10/- each to Transferee for cash at a price of ₹ 216.67 per Equity Shares for an aggregate consideration of ₹ 100 lakhs.

The key terms of the SPA-II are as under:

1. The Company has agreed to arrange to make an initial public offering (IPO) of the Equity Shares of our Company within 12 (twelve) months from the closing date (*as defined under respective Share Purchase Agreement*).
2. It has been further agreed by the parties that in the event the Company fails to make an IPO within 12 (twelve) months from the closing date or if the Board or its appointed committee determines that the Company shall not proceed with the IPO, the Transferee shall have the following option, at its sole discretion:
  - (a) require the Transferor to purchase the transfer shares held by the Transferee at a price which provides an IRR of 15% to the Transferee; or
  - (b) continue to hold the transfer shares in the Company on the terms and conditions decided mutually between the Parties at that time.
3. The Share Purchase Agreements will automatically be terminated upon listing of the Shares of the Company pursuant to IPO.

***Share Purchase Agreement dated April 30, 2024 (“SPA-III”) executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) (“Transferor”) and Odyssey Corporation Limited (“Transferee”)***

SPA-III was executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) and Odyssey Corporation Limited pursuant to which Transferor has sold 1,38,460 Equity Shares of face value of ₹ 10/- each to transferee for cash at a price of ₹ 216.67 per Equity Shares for an aggregate consideration of ₹ 299.99 lakhs.

The key terms of the SPA-III are as under:

1. The Company has agreed to arrange to make an initial public offering (IPO) of the Equity Shares of our Company within 12 (twelve) months from the closing date (*as defined under respective Share Purchase Agreement*).
2. It has been further agreed by the parties that in the event the Company fails to make an IPO within 12 (twelve) months from the closing date or if the Board or its appointed committee determines that the Company shall not proceed with the IPO, the Transferee shall have the following option, at its sole discretion:
  - (a) require the Transferor to purchase the transfer shares held by the Transferee at a price which provides an IRR of 15% to the Transferee; or
  - (b) continue to hold the transfer shares in the Company on the terms and conditions decided mutually between the Parties at that time.
3. The Share Purchase Agreements will automatically be terminated upon listing of the Shares of the Company pursuant to IPO.

***Share Purchase Agreement dated April 30, 2024 (“SPA-IV”) executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) (“Transferor”), Mrs. Reina R Jaisinghani (“Transferee-1”) and Mr. Ajay Thakurdas Jaisinghani (“Transferee-2”) (Transferee-1 & Transferee-2 collectively referred to as “Transferees”)***

SPA-IV was executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company), Mrs. Reina R Jaisinghani and Mr. Ajay Thakurdas Jaisinghani pursuant to which Transferor has sold 1,84,615 Equity Shares of face value of ₹ 10/- each to Transferee-1 for cash at a price of ₹ 216.67 per Equity Shares for an aggregate consideration of ₹ 399.99 lakhs and 46,154 Equity Shares of face value of ₹ 10/- each to Transferee-2 for cash at a price of ₹ 216.67 per Equity Shares for an aggregate consideration of ₹ 100 lakhs.

The key terms of the SPA-IV are as under:

1. The Company has agreed to arrange to make an initial public offering (IPO) of the Equity Shares of our Company within 12 (twelve) months from the closing date (as defined under respective Share Purchase Agreement).
2. It has been further agreed by the parties that in the event the Company fails to make an IPO within 12 (twelve) months from the closing date or if the Board or its appointed committee determines that the Company shall not proceed with the IPO, the Transferee shall have the following option, at its sole discretion:
  - (a) require the Transferor to purchase the transfer shares held by the Transferee at a price which provides an IRR of 15% to the Transferee; or
  - (b) continue to hold the transfer shares in the Company on the terms and conditions decided mutually between the Parties at that time.
3. The Share Purchase Agreements will automatically be terminated upon listing of the Shares of the Company pursuant to IPO.

***Share Purchase Agreement dated April 30, 2024 (“SPA-V”) executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) (“Transferor”) and Neil Madan Bahal (“Transferee”)***

SPA-V was executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) and Neil Madan Bahal pursuant to which Transferor has sold 92,304 Equity Shares of face value of ₹ 10/- each to Transferee for cash at a price of ₹ 216.67 per Equity Shares for an aggregate consideration of ₹ 199.99 lakhs.

The key terms of the SPA-V are as under:

1. The Company has agreed to arrange to make an initial public offering (IPO) of the Equity Shares of our Company within 12 (twelve) months from the closing date (as defined under respective Share Purchase Agreement).
2. It has been further agreed by the parties that in the event the Company fails to make an IPO within 12 (twelve) months from the closing date or if the Board or its appointed committee determines that the Company shall not proceed with the IPO, the Transferee shall have the following option, at its sole discretion:
  - (a) require the Transferor to purchase the transfer shares held by the Transferee at a price which provides an IRR of 15% to the Transferee; or
  - (b) continue to hold the transfer shares in the Company on the terms and conditions decided mutually between the Parties at that time.
3. The Share Purchase Agreements will automatically be terminated upon listing of the Shares of the Company pursuant to IPO.

***Share Purchase Agreement dated May 15, 2024 (“SPA-VI”) executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) (“Transferor”) and Navin Mahavirprasad Dalmia (“Transferee”)***

SPA-VI was executed by and amongst our Company, Mr. Keyur Girishchandra Shah (Promoter of the Company) and Navin Mahavirprasad Dalmia pursuant to which Transferor has sold 1,84,617 Equity Shares of face value of ₹ 10/- each to Transferee for cash at a price of ₹ 216.67 per Equity Shares for an aggregate consideration of ₹ 400.01 lakhs.

The key terms of the SPA-VI are as under:

1. The Company has agreed to arrange to make an initial public offering (IPO) of the Equity Shares of our Company within 12 (twelve) months from the closing date (as defined under respective Share Purchase Agreement).
2. It has been further agreed by the parties that in the event the Company fails to make an IPO within 12 (twelve) months from the closing date or if the Board or its appointed committee determines that the Company shall not proceed with the IPO, the Transferee shall have the following option, at its sole discretion:
  - (a) require the Transferor to purchase the transfer shares held by the Transferee at a price which provides an IRR of 15% to the Transferee; or
  - (b) continue to hold the transfer shares in the Company on the terms and conditions decided mutually between the Parties at that time.

3. The Share Purchase Agreements will automatically be terminated upon listing of the Shares of the Company pursuant to IPO.

## **MATERIAL AGREEMENTS**

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company.

For details on business agreements of our Company, please refer to the section titled '*Our Business*' beginning on page 167 of this Draft Red Herring Prospectus.

## **OTHER AGREEMENTS:**

### **Joint Venture Agreement:**

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any Joint Venture Agreements.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTOR, PROMOTER OR ANY OTHER EMPLOYEE**

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or Senior Management or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

## **MATERIAL GUARANTEES GIVEN BY OUR PROMOTER WITH RESPECT TO THE EQUITY SHARES**

As on the date of this Draft Red Herring Prospectus, no guarantee has been issued by Promoter except as disclosed in the "*Financial Indebtedness*" on page 286 of this Draft Red Herring Prospectus.

## **DETAILS OF CHANGES IN MANAGEMENT**

For details of change in management please refer to the section titled "*Our Management*" beginning on page 206 of this Draft Red Herring Prospectus.

## **NUMBER OF SHAREHOLDERS**

As on the date of this Draft Red Herring Prospectus, the total number of members of our Company is 33 (Thirty-Three). For further details, please refer the section titled "*Capital Structure*" beginning on page 84 of the is Draft Red Herring Prospectus.

## OUR MANAGEMENT

### 1. Board of Directors

Pursuant to the requirements of the Companies Act, 2013 and the AoA, our Company is required to have not less than three Directors and not more than fifteen Directors, provided that our shareholders' may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As of the date of this Draft Red Herring Prospectus, our Board comprises of 6 (Six) Directors, including 1 (One) Managing Director, 2 (Two) Non-Executive Non-Independent Directors (including 1 (One) Woman Director) and 3 (Three) Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
1.	<p><b><u>Mr. Keyur Girishchandra Shah</u></b></p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>Address:</i> 3, Param Park, Behind Taksh Bunglows, Vasna Road, Vadodara Race Course, Vadodara - 390007, Gujarat, India.</p> <p><i>Date of Birth:</i> May 21, 1977</p> <p><i>Age:</i> 47 years</p> <p><i>Experience:</i> 16 Years</p> <p><i>Occupation:</i> Business</p> <p><i>Qualification:</i> Diploma in Civil Engineering from Maharaja Sayajirao University of Baroda.</p> <p><i>Nationality:</i> Indian</p> <p><i>Current Term:</i> For a period of five years, with effect from March 08, 2023, not liable to retire by rotation.</p> <p><i>Period of Directorship:</i> Since March 25, 2008.</p> <p><i>DIN:</i> 01064190</p>	<p><b>Indian Companies:</b></p> <p>1. Yash Swisstech Private Limited</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
2.	<p><b><u>Mrs. Twinkle Keyur Shah</u></b></p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Address:</i> 3, Param Park, Behind Taksh Bungalows, Vasna Road, Vadodara Race Course, Vadodara - 390007, Gujarat, India.</p> <p><i>Date of Birth:</i> August 20, 1979</p> <p><i>Age:</i> 45 years</p> <p><i>Experience:</i> 7 Years</p> <p><i>Occupation:</i> Business</p> <p><i>Qualification:</i> Bachelors of Commerce from Maharaja Sayajirao University of Baroda</p> <p><i>Nationality:</i> Indian</p> <p><i>Current Term:</i> Appointed with effect from September 11, 2017, liable to retire by rotation.</p> <p><i>Period of Directorship:</i> Since September 11, 2017</p> <p><i>DIN:</i> 03575362</p>	<p><b>Indian Companies:</b></p> <p>1. Yash Swisstech Private Limited</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>
3.	<p><b><u>Mr. Suril Saumil Mehta</u></b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> A-11, Shilp Bungalows, Vasna - Bhaili Road, Vasana, Bhayli, Vadodara – 391410, Gujarat, India.</p> <p><i>Date of Birth:</i> November 22, 1989</p> <p><i>Age:</i> 34 years</p> <p><i>Experience:</i> 12 Years</p> <p><i>Occupation:</i> Professional</p> <p><i>Qualification:</i> Chartered Accountant</p> <p><i>Nationality:</i> Indian</p> <p><i>Current Term:</i> Appointed with effect from September 25, 2024, not liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since March 24, 2024.</p> <p><i>DIN:</i> 09804792</p>	<p><b>Indian Companies:</b></p> <p>1. KJC Management Private Limited</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>

Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
4.	<p><b><u>Mr. Hartmuth Udo Erich Fethke</u></b></p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Address:</i> 07639 Bad Klosterlausnitz, Marktstr 10, Germany.</p> <p><i>Date of Birth:</i> February 03, 1951</p> <p><i>Age:</i> 73 years</p> <p><i>Experience:</i> 26 Years</p> <p><i>Occupation:</i> Self -Employed</p> <p><i>Qualification:</i> Qualified main examination of Electronics Technology of Engineering College, Wismar.</p> <p><i>Nationality:</i> German</p> <p><i>Current Term:</i> Appointed with effect from July 05, 2024, liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since July 05, 2024.</p> <p><i>DIN:</i> 10697584</p>	<p><b>Indian Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>
5.	<p><b><u>Mr. Rabindra Nath Nayak</u></b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> Flat No – M 55 C, Adani Brahma Samsara, Sector-60, Gurgaon-122001, Haryana, India.</p> <p><i>Date of Birth:</i> September 23, 1955</p> <p><i>Age:</i> 69 Years</p> <p><i>Experience:</i> 24 years</p> <p><i>Occupation:</i> Self-Employed</p> <p><i>Qualification:</i> Bachelor of Science (Electrical Engineering) from the National Institute of Technology, Rourkela.</p> <p><i>Nationality:</i> Indian</p> <p><i>Current Term:</i> Appointed with effect from June 29, 2024, not liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since June 29, 2024.</p> <p><i>DIN:</i> 02658070</p>	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Odisha Power Transmission Corporation Limited</li> <li>2. Gridco Limited</li> <li>3. Diamond Power Infrastructure Limited</li> <li>4. TP Central Odisha Distribution Limited</li> <li>5. Future Smartec (OPC) Private Limited</li> <li>6. IRM Energy Limited</li> <li>7. TP Western Odisha Distribution Limited</li> </ol> <p><b>Foreign Companies:</b></p> <p>Nil</p>



Sr. No.	Name, designation, address, date of birth, age, experience, occupation, qualification, nationality, current term with date of appointment, period of directorship and DIN	Other directorships
6.	<p><b>Mr. Sanjoy Kumar Goel</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> S1- 601, Octavia, Godrej Prime Shell Colony, Sahakar Nagar Road, Chembur, Mumbai - 400071, Maharashtra, India.</p> <p><i>Date of Birth:</i> September 20, 1963</p> <p><i>Age:</i> 61 years</p> <p><i>Experience:</i> 34 years</p> <p><i>Occupation:</i> Retired Banker</p> <p><i>Qualification:</i> Chartered Accountant and Certified Associate of Indian Institute of Bankers</p> <p><i>Nationality:</i> Indian</p> <p><i>Current Term:</i> Appointed with effect from June 29, 2024, not liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since June 29, 2024.</p> <p><i>DIN:</i> 10659968</p>	<p><b>Indian Companies:</b></p> <p>Carnelian Capital Private Limited</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>

## 2. Brief Biographies of Directors

**Mr. Keyur Girishchandra Shah**, is the Promoter and currently the Chairman and Managing Director of our Company. He holds a Diploma in Civil Engineering from Maharaja Sayajirao University of Baroda, Vadodara. He has work experience of more than 16 years in electrical and power industry. He has been associated with our Company since March 25, 2008 and has been actively involved in the day-to-day operations and currently overseeing & controlling the overall administration and finance. His other ventures include Yash Swisstech Private Limited, Keyur Girishchandra Shah HUF, Desar Estate and Upscale Developers. He has been awarded as 1<sup>st</sup> Runner-up at the **2<sup>nd</sup> Geo Excellence Awards-2024 in the Leadership (Entrepreneur) category** organized by the Gujarat Employers' Organisation.

**Mrs. Twinkle Keyur Shah**, is a Non-Executive Director of our Company. She has completed her Bachelor of Commerce from the Maharaja Sayajirao University of Baroda, Vadodara. She has been associated with our Company since September 11, 2017. She has an experience of 7 years in the field of Administration, Upskilling & professional trainer for Human Resource Development.

**Mr. Suril Saumil Mehta**, is an Independent Director of our Company. He is a member of the Institute of Chartered Accountants of India. He has over 12 years of work experience in M&A transactions, including negotiation, structuring, and other transaction support services spanning across a wide range of industries. Presently, he is a Partner of M/s. K C Mehta & Co LLP, a Chartered Accountants Firm and is leading the Taxation and Regulatory Advisory team, Restructuring, Strategy formulation and Valuation services. He has been associated with our Company since March 24, 2024.

**Mr. Hartmuth Udo Erich Fethke**, is a Non-Executive Director of our Company. He completed his main examination in Electronics Technology at Engineering College, Wismar, and brings over 26 years of industry experience. His expertise encompasses the technical commercial processing of inquiries and orders for surge arresters, high-voltage porcelain, and insulating elements used in high-frequency technology.

**Mr. Rabindra Nath Nayak**, is an Independent Director of our Company. He holds a Bachelor of Science in Electrical Engineering from National Institute of Technology, Rourkela. He was previously associated with Power Grid Corporation of India Limited as Chairman and Managing Director. He has over 24 years of experience in the power sector.

**Mr. Sanjoy Kumar Goel**, is an Independent Director of our Company. He is a member of the Institute of Chartered Accountants of India and a Certified Associate of Indian Institute of Bankers. He has been previously associated with State Bank of India as General Manager and Deputy Chief Financial Officer. He has an overall experience of 34 years including 8 years of experience in the field of Financial Reporting, Foreign Exchange, Taxation and Treasury.

### Confirmations

- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of senior management.
- Other than statutory benefits upon termination of the employment in our Company on retirement, none of the Directors have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.
- As on the date of this Draft Red Herring Prospectus, none of our Directors are on the RBI list of wilful defaulters.
- As on date of this Draft Red Herring Prospectus, none of our Directors are declared as Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- Except as disclosed below, none of our Director is or was a director of any listed company during the last 5 years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the stock exchange(s), during the term of their directorship in such Company.

*Mr. Rabindra Nath Nayak*

Sr. No.	Particulars	Details
1.	Name of the company	Diamond Power Infrastructure Limited
2.	Name of the stock exchange(s) on which the company was listed	BSE and NSE
3.	Date of suspension on stock exchange	BSE: September 14, 2022 NSE: September 14, 2022
4.	If trading suspended for more than three months, reason for suspension and period of suspension	Suspension of trading on account of capital reduction pursuant to NCLT Order passed by Ahmedabad Division Bench vide No. order No. IA No. 160 of 2022 in CP(IB) 137 of 2018 dated June 20, 2022
5.	If the suspension of trading was revoked, the date of revocation of suspension	15 <sup>th</sup> September, 2023
6.	Term of directorship (along with relevant dates) in the above company	From September 17, 2022 for a period of 3 years

- None of our Director is or was a director of any listed company which has been or was delisted from any recognized stock exchange during the term of their directorship in such company.
- None of the Promoter, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or persons 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.
- No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of the Directors of our Company.
- No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

### 3. Borrowing powers of our Board

Pursuant to a special resolution passed by our shareholders at EGM held on March 30, 2018, our Board is authorised to borrow any sum of monies from time to time notwithstanding that the sum so borrowed together with the monies, if any, already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) exceeding the paid up capital and free reserves of our Company provided that such amount does not exceed ₹ 20,000 Lakhs.

**4. Remuneration/ compensation/ commission paid to our Managing Director, Executive Directors and Whole-Time Director:**

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director.

<b>Particulars</b>	<b>Mr. Keyur Girishchandra Shah</b>
Appointment / Change in Designation	Originally appointed as Additional Director w.e.f. March 25, 2008.  Appointed as Director on September 30, 2008.  Designated as Managing Director w.e.f. July 01, 2011 vide Shareholders Resolution dated July 01, 2011  Re-appointed as Managing Director w.e.f. March 08, 2018 vide Board Resolution dated March 08, 2018 and Shareholders Resolution dated March 30, 2018  Re-appointed as Managing Director w.e.f. March 08, 2023 vide Board Resolution dated February 16, 2023 and Shareholders Resolution dated August 03, 2023
Current Designation	Chairman and Managing Director
Term of Appointment	5 years Not liable to retire by rotation
Remuneration & Perquisites*	Maximum of ₹ 25 lakhs p.m.  <b>Perquisites:</b> a. Contribution to provident fund, superannuation fund or annuity fund b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service c. Encashment of leave at the end of the tenure d. Children's education allowance: In case of children studying in or outside India, an allowance limited to a maximum of ₹ 12,000 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible up to a maximum of two children e. Holiday passage for children studying outside India or family staying abroad: Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad to India, if they are not residing in India, with the managerial person f. Leave travel concession: Return passage for self and family in accordance with the rules specified by the company where it is proposed that the leave be spent in home country instead of anywhere in India g. The reimbursement of any Club Membership Fees h. Two cars with driver
Compensation paid in the year 2023-24	₹ 147.17 Lakhs

\*Approved by the shareholders vide resolution dated July 08, 2024.

**5. Payments or benefits to Directors by our Company**

Except as disclosed below, our Company has not paid any compensation or granted any benefit to any of our Directors (including contingent or deferred compensation) in all capacities in the financial year ended March 31, 2024:

**Remuneration paid to our Directors in the financial year ended March 31, 2024:***(₹. In Lakhs)*

Sr. No.	Name of Director	Remuneration Paid
1.	Mr. Keyur Girishchandra Shah	147.17
2.	Mrs. Twinkle Keyur Shah	Nil <sup>(1)</sup>
3.	Mr. Oliver Haerdi	Nil <sup>(2)</sup>

*Note:*

- During the financial year ended March 31, 2024, the Company has paid an amount of ₹. 22.34 lakhs towards Professional Fees. However, no amount has been paid towards remuneration to Mrs. Twinkle Keyur Shah.
- Mr. Oliver Haerdi has resigned from the position of Director with effect from March 25, 2024.

**6. Terms of appointment of Directors****1. Executive Directors**

Name	Mr. Keyur Girishchandra Shah
Designation	Chairman and Managing Director
Remuneration per annum (including basic salary, perquisites, allowances but excluding bonus.)	<p>Maximum of ₹ 25 Lakhs p.m.</p> <p><b>Perquisites:</b></p> <ol style="list-style-type: none"> <li>Contribution to provident fund, superannuation fund or annuity fund</li> <li>Gratuity payable at a rate not exceeding half a month's salary for each completed year of service</li> <li>Encashment of leave at the end of the tenure</li> <li>Children's education allowance: In case of children studying in or outside India, an allowance limited to a maximum of ₹ 12,000 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible up to a maximum of two children</li> <li>Holiday passage for children studying outside India or family staying abroad: Return holiday passage once in a year by economy class or once in two years by first class to children and to the members of the family from the place of their study or stay abroad to India, if they are not residing in India, with the managerial person</li> <li>Leave travel concession: Return passage for self and family in accordance with the rules specified by the company where it is proposed that the leave be spent in home country instead of anywhere in India</li> <li>The reimbursement of any Club Membership Fees</li> <li>Two cars with driver</li> </ol>
Tenure of his appointment	5 years w.e.f. March 08, 2023

There is no definitive and /or service agreement that has been entered into between our Company and Mr. Keyur Girishchandra Shah in relation to his appointment.

Our Company has not entered into any contract appointing or fixing the remuneration of a Director in the last 2 years. The above said remuneration and perquisites are subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by our Board upon the recommendation of the Nomination and Remuneration Committee and subject to the compliance of the applicable provisions, if any.

**Sitting fees and Commission**

Our AOA provides for payment of such amount of sitting fees, as the Directors may determine, from time to time, for attending every meeting of our Board or any committee of our Board, subject to the ceiling prescribed under the Companies Act 2013. Our Board of Directors have resolved in their meeting dated June 29, 2024 for payment of sitting fees upto ₹ 75,000/- per meeting per director and committee meeting sitting fees of ₹ 25,000/- per meeting per director to all the Non-Executive Directors of our Company for attending such meeting of our Board or committees thereof. Further in addition to payment of sitting fees, our Board of Directors have resolved in their meeting dated June 29, 2024 to pay remuneration of 0.4% per annum of the Annual net profit of the by way of commission or otherwise to Mr. Rabindra Nath Nayak, (DIN:02658070), Independent Director of the Company for the financial year 2024-25, with effect from 1st July, 2024.

Further no sitting fees has been paid by our Company to our Non-Executive Non-Independent Director for the Financial Year

ended March 31, 2024.

Pursuant to the Shareholders' resolution dated July 08, 2024, in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board, our Non-Executive Directors (including Independent Directors) are entitled to receive a remuneration by way of commission not exceeding 1% of net profits of our Company in any Financial Year computed in accordance with Section 198 of the Companies Act. Further, pursuant to a Board resolution dated June 29, 2024 and Shareholders' resolution dated July 08, 2024 and in accordance with Section 197 of the Companies Act, 2013, Non-Executive Directors (including Independent Directors) are entitled to receive a commission by way of remuneration in accordance with the limits specified in the Schedule V of the Companies Act 2013 in case of inadequacy or no profits.

#### **Bonus or profit-sharing plan for our Directors**

None of our Directors are party to any bonus or profit-sharing plan of our Company.

#### **Shareholding of Directors in our Company**

Our AOA does not require our Directors to hold qualification shares.

The shareholding of our Directors in our Company as of the date of filing this Draft Red Herring Prospectus, on a fully diluted basis, is set forth below:

<b>Sr. No</b>	<b>Name</b>	<b>No. of Equity Shares</b>	<b>Percentage of the pre- Offer capital on a fully diluted basis (%)</b>
1.	Mr. Keyur Girishchandra Shah	1,63,02,595	73.61
2.	Mrs. Twinkle Keyur Shah	6,48,000	2.93
3.	Mr. Suril Saumil Mehta	31,845	0.14
4.	Mr. Hartmuth Fethke	Nil	Nil
5.	Mr. Rabindra Nath Nayak	Nil	Nil
6.	Mr. Sanjoy Kumar Goel	Nil	Nil

#### **Interest of our Directors**

##### **a) Interest by way of Remuneration from our Company**

All the Directors may be deemed to be interested to the extent of remuneration, sitting fees and reimbursement of expenses payable to them under the AOA, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

No loans have been availed by our Directors from the Company and for details of Personal Guarantee given by Directors towards financial facilities of our Company please refer to section titled "*Financial Indebtedness*" and "*Financial Information*" beginning on page 286 and 238 respectively of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding 2 years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly.

Except as stated in this section titled "*Our Management*" or the section titled "*Financial Information - Related Party Transactions*" beginning on pages 206 and 238 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

For details, refer "*Our Management - Remuneration/ Compensation/ Commission paid to our Directors*" as beginning on page 206 of this Draft Red Herring Prospectus.

##### **b) Interest as Members of our Company**

Our Directors may also be regarded as interested in the Equity Shares, if any, that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoter, and/ or trustees pursuant to this Offer. Such 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.

**c) Interest in promotion or formation of our Company**

Except Mr. Keyur Girishchandra Shah, Chairman and Managing Director who is also the Individual Promoter of our Company, none of our Directors have an interest in the promotion of our Company, as on the date of this Draft Red Herring Prospectus.

None of our Directors were interested in the formation of our Company. For further details, please refer to section titled 'Our Promoter and Promoter Group' as beginning on page 227 of this Draft Red Herring Prospectus.

**d) Interest in the property of our Company**

None of our Directors have interest in any property acquired by our Company, or proposed to be acquired by our Company.

**e) Interest in the business of our Company**

Except as stated in 'Financial Information' beginning on page 238, our Directors do not have any interests in our business.

**f) Interest as creditors of our Company**

Our Directors are interested to the extent of personal guarantee given by them to our Company. For the details of personal guarantee given by Directors towards financial facilities of our Company please refer to 'Financial Indebtedness' and 'Financial Information' beginning on pages 286 and 238 respectively of this Draft Red Herring Prospectus.

**g) Interest as Key Managerial Personnel of our Company**

Mr. Keyur Girishchandra Shah, Chairman and Managing Director, Mr. Sumit Poddar, Chief Financial Officer, and Mr. Tushar Janardan Lakshmapurkar, Company Secretary and Compliance Officer of our Company are the Key Managerial Personnel of our Company and may be deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them, for services rendered to us in accordance with the provisions of the Companies Act, 2013 and AOA of our Company and to the extent of Equity Shares that may be held by them in our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than disclosed above, no other Director is interested as Key Managerial Personnel of our Company. For further details, please refer to section titled "Related Party Transactions" and section titled "Financial Information" beginning on page 238 and of this Draft Red Herring Prospectus.

**h) Other indirect interest**

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

All the Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

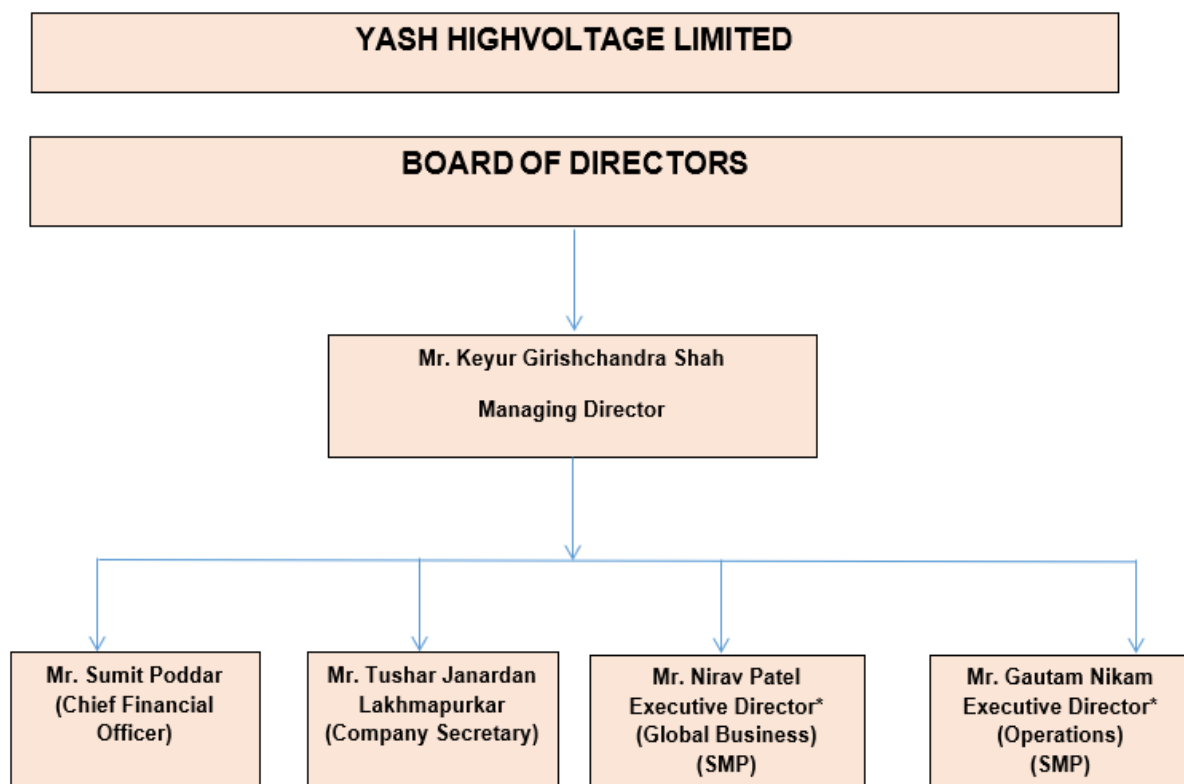
**Changes in our Board during the last 3 years**

Except as disclosed below, there have been no changes in our Board during the last 3 years.

Name	Date of Appointment/ Change/ Cessation w.e.f.	Reason
Mr. Keyur Girishchandra Shah	March 08, 2023	Re-appointed as Managing Director w.e.f. March 08, 2023 vide Board Resolution dated February 16, 2023 and Approved by Shareholders vide Shareholders Resolution dated August 03, 2023
Mr. Suril Saumil Mehta	March 24, 2024	Appointed as Additional Non-Executive Director
Mr. Oliver Haerdi	March 25, 2024	Resigned as Nominee Director
Mr. Rabindra Nath Nayak	June 29,2024	Appointed as an Additional Independent Director
Mr. Sanjoy Kumar Goel	June 29,2024	Appointed as an Additional Independent Director

Mr. Hartmuth Udo Erich Fethke	July 05, 2024	Appointed as an Additional Non-Executive Director
Mr. Suril Saumil Mehta	July 08, 2024	Change in Designation from Additional Non-Executive Director to Non-Executive Director
Mr. Sanjoy Kumar Goel	July 08, 2024	Change in Designation from Additional Independent Director to Independent Director
Mr. Rabindra Nath Nayak	July 08, 2024	Change in Designation from Additional Independent Director to Independent Director
Mr. Hartmuth Udo Erich Fethke	July 08, 2024	Change in Designation from Additional Non-Executive Director to Non-Executive Director
Mr. Suril Saumil Mehta	September 25, 2024	Change designation from Non-Executive Director to Independent Director.

## ORGANISATION STRUCTURE



### Corporate governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations and SEBI ICDR Regulations, as may be applicable, will also be complied with to the extent applicable to our Company immediately upon the listing of the Equity Shares on the Designated Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof.

The Corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, there are 6 (Six) Directors on our Board out of which 3 (Three) are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies

Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, SEBI ICDR Regulations, the Listing Agreement and the Companies Act, 2013.

### Committees of our Board

Our Board has constituted committees to delegate certain powers as permitted under the Companies Act, 2013. Details of the committees are set forth below. In addition to the committees of our Board described below, our Board of Directors may, from time to time, constitute committees for various functions.

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee
- d) IPO Committee
- e) Internal Complaints Committee
- f) Corporate Social Responsibility Committee

#### a. Audit Committee

Our Company has constituted an Audit Committee, as per section 177 of the Companies Act, 2013 vide resolution passed at the meeting of our Board held on July 22, 2024.

The committee presently comprises the following 3 Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Sanjoy Kumar Goel	Chairman	Independent Director
Mr. Rabindra Nath Nayak	Member	Independent Director
Mr. Suril Saumil Mehta	Member	Independent Director

The Company Secretary of our Company shall act as the secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of the Audit Committee in accordance with Section 177 of the Companies Act, 2013.

The role and responsibility of the Audit Committee not limited but shall include the following:

- i. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. examination of the financial statement and the auditors' report thereon;
- iv. approval or any subsequent modification of transactions of the company with related party
- v. scrutiny of inter-corporate loans and investments;
- vi. valuation of undertakings or assets of the company, wherever it is necessary;
- vii. evaluation of internal financial controls and risk management systems;
- viii. monitoring the end use of funds raised through public offers and related matters.
- ix. Such other role as specified by the Board of Directors from time to time;
- x. To investigate any activity within its terms of reference;
- xi. To seek information from any employee;
- xii. To obtain outside legal or other professional advice; and
- xiii. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- xiv. 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.
- xv. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- xvi. Reviewing, with the management, the annual financial statements 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. Qualifications in the draft audit report.
- xvii. Reviewing, with the management, the quarterly/half yearly financial statements before submission to the Board for approval.
  - xviii. 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 or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  - xix. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  - xx. 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.
  - xxi. Discussion with internal auditors any significant findings and follow up there on.
  - xxii. 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.
  - xxiii. 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.
  - xxiv. 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.
  - xxv. To review the functioning of the Whistle Blower mechanism.
  - xxvi. Approval of appointment of Chief Financial Officer (or the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  - xxvii. Evaluation of internal financial controls and risk management systems.
  - xxviii. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc.
  - xxix. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  - xxx. Committee shall mandatorily review the following information:
    - i. Management discussion and analysis of financial condition and results of operations;
    - ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
    - iii. Internal audit reports relating to internal control weaknesses; and
    - iv. The appointment, removal and terms of remuneration of the chief internal auditor, peer review auditor, if any.
    - v. Statement of deviations:
      - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
      - b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
  - xxxi. Such other role and responsibilities as stipulated under the Companies Act, 2013 and with Part-C Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, to the extent applicable.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The chairman of the Audit Committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

### **Tenure**

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

### ***b. Stakeholders' Relationship Committee***

Our Company has constituted a "*Stakeholders' Relationship Committee*" to redress grievances of the shareholders, debentures and other security holders in accordance with Section 178(5) of the Companies Act, 2013. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of our Board held on July 22, 2024.

The Stakeholders' Relationship Committee comprises:

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Suril Saumil Mehta	Chairman	Independent Director
Mr. Keyur Girishchandra Shah	Member	Managing Director
Mrs. Twinkle Keyur Shah	Member	Non-Executive Non-Independent Director

The Company Secretary of our Company shall act as the secretary of the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

**i. Tenure**

The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

**ii. Role of the Stakeholders' Relationship Committee**

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- v. Review statutory compliances relating to all shareholders.
- vi. Review of movements in shareholding and ownership structure of our Company.
- vii. Recommend measures for improvement of quality of investor services.
- viii. Conduct a Shareholder Satisfaction Survey to assess shareholders' views.
- ix. Suggest and drive implementation of various shareholder-friendly initiatives.
- x. Such other role and responsibilities as stipulated under the Companies Act, 2013 read with Part-D Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, to the extent applicable.

**c. Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved at a Meeting of our Board held on July 22, 2024. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Mr. Suril Saumil Mehta	Chairman	Independent Director
Mr. Rabindra Nath Nayak	Member	Independent Director
Mr. Sanjoy Kumar Goel	Member	Independent Director

The Company Secretary of our Company shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

**i. Tenure**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**ii. Role of the Nomination and Remuneration Committee not limited to but includes:**

1. shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. 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.
4. Formulation of criteria for evaluation of performance of independent directors and Board of Directors.
5. Devising a policy on diversity of Board of Directors.
6. Deciding on, 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. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of our Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of our Company, standards prevailing in the industry, statutory guidelines etc.
11. To formulate and administer the Employee Stock Option Scheme.
12. recommend to the board, all remuneration, in whatever form, payable to senior management.
13. Such other role and responsibilities as stipulated under the Companies Act, 2013 and with Part-D Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, to the extent applicable.

**d. IPO Committee**

The IPO Committee was constituted by our Board on August 06, 2024.

<b>Name of Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Keyur Girishchandra Shah	Chairman	Managing Director
Mrs. Twinkle Keyur Shah	Member	Non-Executive Non-Independent Director
Mr. Suril Saamil Mehta	Member	Independent Director

The Company Secretary of our Company shall act as the secretary to the IPO Committee.

The IPO Committee is also authorized to approve the following in connection to the initial public offering pursuant to a resolution passed by the Board on August 06, 2024.

The terms of reference of the IPO Committee include the following:

- i. To make applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Government of India, Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Registrar of Companies, Gujarat, Dadra and Nagar Haveli at Ahmedabad (“RoC”) or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus.

- ii. To finalise, settle, approve, adopt and file the draft red herring prospectus with the Stock Exchange and SEBI, the red herring prospectus and prospectus with the Stock Exchange and SEBI, Registrar of Companies, Ahmedabad at Gujarat (the “RoC”), and other regulatory authorities (including the preliminary and final international wrap, and amending, varying, supplementing or modifying the same, or providing any notices, clarifications, reply to observations, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company, and take all such actions in consultation with the book running lead manager (the “BRLM”) as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, respective stock exchange where the Equity Shares are proposed to be listed, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;
- iii. To decide in consultation with the BRLM on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors and to accept any amendments, modifications, variations or alterations thereto, and/or reservation on a competitive basis, and rounding off, if any, in the event of oversubscription and in accordance with Applicable Laws, and/or any discount to be offered to retail individual bidders participating in the Offer;
- iv. To appoint, instruct and enter into arrangements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, auditors, independent chartered accountants, refund bankers to the Offer, public Offer account, bankers to the Offer, sponsor bank, registrar, grading agency, industry expert, legal advisors, advertising agency(ies), monitoring agency and any other agencies or persons or intermediaries to the Offer, including any successors or replacements thereof, and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the mandate letters and Offer agreement with the BRLM, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
- v. To authorise the maintenance of a register of holders of the Equity Shares;
- vi. To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the BRLM mandate or fee/ engagement letter, Offer agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar of the Offer and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments, legal advisors, auditors, Stock Exchange, BRLM and other agencies/ intermediaries in connection with Offer and any notices, supplements, addenda and corrigenda thereto, as may be required or desirable in relation to the Offer, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents;
- vii. To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI and operate bank accounts opened separate in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- viii. To seek, if required, the consent of the lenders to the Company and/or lenders to the subsidiary (if applicable), industry data provider, parties with whom the Company has entered into various commercial and other agreements, all concerned governmental and regulatory authorities in India or outside India and any other consents and/or waivers that may be required in relation to the Offer;
- ix. To approve any corporate governance requirements, if applicable that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the stock exchange, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);
- x. To authorise and approve, the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and expenses in connection with the Offer;

- xi. To determine and finalise, in consultation with the BRLM, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer and minimum bid lot for the purpose of bidding, (including anchor investors Offer price), any revision to the price band and the final Offer price after bid closure, total number of Equity Shares to be reserved for allocation to eligible investors, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLM and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;
- xii. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on stock exchange, with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- xiii. To authorise and approve notices, advertisements in such newspapers and other media as it may deem fit and proper in relation to the Offer, in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), Companies Act, 2013;
- xiv. To do all such acts, deeds, matters and things and execute all such other documents, agreements, forms, certificates, undertakings, letters and instruments, as may deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;
- xv. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;
- xvi. To withdraw the draft red herring prospectus, red herring prospectus and the Offer at any stage, if deemed necessary, in accordance with the SEBI ICDR Regulations and Applicable Laws and in consultation with the BRLM;
- xvii. To negotiate, finalise, sign, execute, deliver and complete the Offer agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all notices, offer documents (including draft red herring prospectus, red herring prospectus and prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto), in relation to the Offer.
- xviii. To make in-principle and final applications for listing of the Equity Shares in recognised stock exchange in India and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange;
- xix. To authorize and empower any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer and to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares, for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange, the registrar agreement and memorandum of understanding, the depositories’ agreements, the Offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the share escrow agreement, the escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;

- xx. To determine the utilization of proceeds of the fresh Issue and accept and appropriate proceeds of the fresh Issue in accordance with the Applicable Laws;
- xxi. To determine the price at which the Equity Shares are offered, allocated, and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- xxii. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company;
- xxiii. all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the Price Band, in accordance with the Applicable Laws;

**e. Internal Complaints Committee**

The Internal Complaints Committee was constituted by our Board on July 22, 2024. The Internal Complaints Committee is also authorized to approve the following in connection to the initial public offering pursuant to a resolution passed by the Board on July 22, 2024.

<b>Name of Members</b>	<b>Status in Committee</b>
Mrs. Rashmi Prajapati	Presiding Member
Mrs. Debanjana Patel	Member
Mr. Tushar Janardan Lakmapurkar	Member
Mr. Yash Pawar	NGO Member

The Company Secretary of our Company shall act as the secretary to the Internal Complaints Committee.

**Role & Duties of the Internal Complaints Committee**

The role and duties of the committee will be following:

- 1) Redressal of complaints filed with fairness and without bias,
- 2) Redressal of complaints filed within the time period of 90 days
- 3) Awareness workshops/activities to educate all employees of the Company about: Sexual harassment at workplace, its effects and laws against it, Filing a complaint with the ICC.
- 4) Drafting and reviewing of Sexual Harassment Policy

**f. Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was constituted by our Board on July 22, 2024 with the following members:

<b>Name of Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Sanjoy Kumar Goel	Chairman	Independent Director
Mr. Keyur Girishchandra Shah	Member	Managing Director
Mrs. Twinkle Keyur Shah	Member	Non-Executive Non-Independent Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 are as follows:

- 1) To formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof
- 2) To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy.
- 3) To recommend to the Board the amount of expenditure to be incurred on the CSR activities
- 4) To monitor the implementation of framework of CSR Policy

- 5) To review the performance of the Company in the areas of CSR
- 6) To institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the company
- 7) To recommend extension of duration of existing project and classify it as on-going project or other than on-going project.
- 8) To submit annual report of CSR activities to the Board
- 9) To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, if applicable, to the Board
- 10) To review and monitor all CSR projects and impact assessment report if applicable
- 11) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

### **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 Designated Stock Exchange. We shall comply with the requirements of the Insider Trading Regulations on listing of Equity Shares on Designated Stock Exchange. Further, our Board at their meeting held on June 29, 2024 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Mr. Tushar Janardan Lakhmapurkar, Company Secretary and 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.

### **I. Key Managerial Personnel and Senior Management**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel and Senior Management of our Company as prescribed under the Companies Act, 2013. For details of our Managing Director and Whole Time Directors, please refer to the section titled '*Our Management*' beginning on page 206 of this Draft Red Herring Prospectus.

#### **Key Managerial Personnel:**

##### **Mr. Keyur Girishchandra Shah, Chairman and Managing Director**

**Mr. Keyur Girishchandra Shah**, is the Chairman and Managing Director of our Company. For details, see '*Brief Biographies of Directors*' beginning on page 209 of this Draft Red Herring Prospectus. For details of compensation paid to him during Financial Year 2024, see '*Terms of appointment of Directors*' beginning on page 212 of this Draft Red Herring Prospectus.

##### **Mr. Sumit Poddar , Chief Financial Officer (CFO)**

**Mr. Sumit Poddar** is the Chief Financial Officer of our Company. He has cleared the final examination of Institute of Cost and Works Accountant of India and has more than 17 years of experience in industries across Pharma & Life Science, Procurement, Project Financing and Investment Banking. He plays a strategic financial advisory role to MD, overseas overall financial planning in line with company's financial goals and protecting interest of the stakeholders and closely works across various departments in meeting operational goals with smooth mobilization and judicious application of financial resources, evaluating investment plans and making economically viable decisions for the organization. He has been associated with the Company since September 01, 2022 and in the role as Chief Financial Officer with effect from August 01, 2024.

##### **Mr. Tushar Janardan Lakhmapurkar, Company Secretary and Compliance Officer**

**Mr. Tushar Janardan Lakhmapurkar** is the Company Secretary and Compliance Officer of our Company. He is a Fellow Member of the Institute of Company Secretaries of India holding membership number 3809. He has over 27 years of experience in corporate laws, compliance, legal & secretarial matters, including Insurance and Risk management. Previously, he has worked with Diamond Power Infrastructure Limited, Vadodara as Vice President- Legal & Company Secretary. He has been associated with the Company since August 01, 2024.

## SENIOR MANAGEMENT PERSONNEL:

**Mr. Nirav Prakash Patel** is the Executive Director (Global Business) of our Company. He has completed and received a passing grade in Entrepreneurship in Emerging Economies, a course of study offered by HarvardX, an online learning initiative of Harvard University and has more than 12 years of experience in areas including Global Sales and Marketing, Operations, and Branding. His contributions add value in global business growth and cultivating relationships with clients. As a senior management team member, he plays a crucial role in identifying new markets and products, contributing to the development of the company's global brand.

**Mr. Gautam Rajubhai Nikam** is the Executive Director (Operations) of our Company. He holds Diploma in Electrical Engineering from Maharaja Sayajirao University of Baroda, Vadodara. He has more than 13 years of experience in the power industry and brings comprehensive understanding of the industry with expertise in bushings design, manufacturing, and testing.

### Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

### Relationship between Key Managerial Personnel and Senior Management Personnel

None of the above-mentioned Key Managerial Personnel and Senior Management Personnel are related to each other within the meaning of Section 2(77) of the Companies Act, 2013 and neither are they related to our Directors.

### Relationship of our Directors/ and Promoter with Key Managerial Personnel or Senior Management Personnel

Except as disclosed below, none of our Key Managerial Personnel or Senior Management Personnel of our Company are related to our Directors/ and Promoter within the meaning of Section 2 (77) of the Companies Act, 2013.

Sr. No.	Name and Designation of the Director	Relationship with other Directors
1.	Mr. Keyur Girishchandra Shah, (Chairman and Managing Director)	Spouse of Mrs. Twinkle Keyur Shah (Non-Executive Director)

### Shareholding of the Key Managerial Personnel and Senior Management Personnel

Except as disclosed below, none of our Key Managerial Personnel and Senior Management hold any Equity Shares of our Company as on date of this Draft Red Herring Prospectus.

Sr. No	Name of Key Managerial Personnel and Senior Management Personnel	No. of Equity Shares
1.	Mr. Keyur Girishchandra Shah	1,63,02,595
2.	Mr. Nirav Prakash Patel	36,000
3.	Mr. Gautam Rajubhai Nikam	36,000

### Remuneration/ compensation paid to our Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, except as mentioned below, our Company has not paid any remuneration / compensation to the Key Managerial Personnel's and Senior Management Personnel during the last Financial Year for year ended March 31, 2024.

Sr. No.	Name of Key Management Personnel /Senior Management Personnel	Remuneration paid (₹ in Lakhs)
1.	Mr. Keyur Girishchandra Shah	147.17
2.	Mr. Sumit Poddar	25.39*
3.	Mr. Tushar Janardan Lakhmapurkar	Nil
4.	Mr. Nirav Prakash Patel	54.22
5.	Mr. Gautam Rajubhai Nikam	51.73
	<b>Total Managerial Remuneration</b>	<b>₹ 278.52</b>

\*Mr. Sumit Poddar was associated with the Company since September 01, 2022 and designated as Chief Financial Officer of the Company with effect from August 01, 2024 vide Board Resolution dated July 22, 2024.



\* Mr. Tushar Janardan Lakhmapurkar was associated with the Company as Company Secretary & Compliance Officer of the Company with effect from August 01, 2024 vide Board Resolution dated July 22, 2024.

### **Bonus or profit-sharing plan for our Key Managerial Personnel and Senior Management Personnel**

Our Company does not have any bonus or profit-sharing plan with any of our Key Managerial Personnel and Senior Management Personnel.

### **Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel**

As on the date of this Draft Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management Personnel has received or is entitled to any contingent or deferred compensation.

### **Loans given/ availed by Key Managerial Personnel and Senior Management Personnel**

As on the date of this Draft Red Herring Prospectus, there is no loan outstanding against Key Managerial Personnel and Senior Management Personnel.

### **Service contracts with Key Managerial Personnel and Senior Management Personnel**

Other than statutory benefits upon termination of the employment in our Company on retirement, none of the Key Managerial Personnel and Senior Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

### **Interest of Key Managerial Personnel and Senior Management Personnel**

Except as stated in the section titled “*Related Party Transactions*” and the section titled “*Financial Information*” beginning on pages 236 and 238 of this Draft Red Herring Prospectus and described herein above, Our Key Managerial Personnel and Senior Management Personnel do not have any other interest in the business of our Company.

### **Changes in Key Managerial Personnel and Senior Management in the last 3 years**

Other than as mentioned below, there has been no change to our Key Managerial Personnel and Senior Management Personnel since the incorporation of our Company.

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Draft Red Herring Prospectus:

<b>Name</b>	<b>Date of Appointment/ Change/ Cessation w.e.f.</b>	<b>Reason</b>
Mr. Keyur Girishchandra Shah	March 08, 2023	Re-appointed as Managing Director w.e.f. March 08, 2023 vide Board Resolution dated February 16, 2023 and Approved by Shareholders vide Shareholders Resolution dated August 03, 2023
Mr. Sumit Poddar	August 01, 2024	Appointment as Chief Financial Officer
Mr. Tushar Janardan Lakhmapurkar	August 01, 2024	Appointment as Company Secretary and Compliance Officer
Mr. Nirav Prakash Patel	December 01, 2022	Change in designation from Senior Manager Operations to Senior Manager Technology
	April 01, 2023	Change in designation from Senior Manager Technology to Head Technology
	August 06, 2024	Change in designation from Head Technology to Executive Director (Operations)
Mr. Gautam Rajubhai Nikam	August 06, 2024	Change in designation from Head International Marketing and BD to Executive Director (Global Business)

### **Payment of benefit to officers of our Company**

Except as stated in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in preceding 2 years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the section titled '*Financial Information*' beginning on page 238 of this Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, our Key Managerial Personnel and Senior Management personnel or our Promoter.

### **Arrangements and understanding with major shareholders, customers, suppliers or others**

None of our Key Managerial Personnel or members of senior management have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer to section titled '*History and Certain Other Corporate Matters*' beginning on page 198 of this Draft Red Herring Prospectus.

### **Employee Stock Option Plan ('ESOP')/ employee stock purchase scheme ('ESPS Scheme') to Employees**


As on the date of Draft Red Herring Prospectus, we do not have any ESOP/ ESPS Scheme for our employees.

## OUR PROMOTER AND PROMOTER GROUP

### A. OUR PROMOTER:

As on the date of this Draft Red Herring Prospectus, the Promoter of our Company is Mr. Keyur Girishchandra Shah. As on the date of this Draft Red Herring Prospectus, 1,63,02,595 Equity Shares of ₹ 5/- each are held by Mr. Keyur Girishchandra Shah, representing 73.61% of the issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter' shareholding in our Company, please refer to the section titled "*Capital Structure*" beginning on page 84 of this Draft Red Herring Prospectus.

#### Brief Profile of Our Promoter

<b>Mr. Keyur Girishchandra Shah</b>	
	<b>Mr. Keyur Girishchandra Shah</b> , aged 47 years, is the Promoter and Chairman and Managing Director of our Company. He has been associated with our Company as a Director since March 25, 2008.
	<b>Age:</b> 47 years
	<b>Date of Birth:</b> May 21, 1977.
	<b>Personal Address:</b> 3, Param Park, Behind Taksh Bunglows, Vasna Road, Racecourse Vadodara 390007, Gujarat, India.
	<b>PAN:</b> AFOPS7301H
	<b>Nationality:</b> Indian
For the complete profile of Mr. Keyur Girishchandra Shah, along with the details of his educational qualification, experience in the business, positions/posts held in past, directorships, special achievements, his business and financial activities, see ' <i>Our Management</i> ' on page 206.	

#### Confirmations/ Declarations:

We declare and confirm that the details of PAN, passport, driving license, Aadhaar card and bank account number of our Promoter will be submitted to the BSE SME where the Equity Shares are proposed to be listed at the time of filing this Draft Red Herring Prospectus.

#### Interests of Promoter

##### Interest in promotion of our Company

Our Promoter is interested in our Company to the extent of (i) that he is the promoter of the Company and to the extent of its respective equity shareholding, the shareholding of his relative and the dividend payable upon such shareholding, if any, and other distributions in respect of the Equity Shares held by them. (ii) of being Chairman and Managing Director of our Company and the remuneration, benefits and reimbursement of expenses, payable to him, as per the terms of his employment; and (iii) of the personal guarantee which has been extended by our Promoter in the favour of the Axis Bank Limited for securing the varies fund-based and non-fund based facilities availed by the Company. For details pertaining to our Promoter' shareholding, please refer the sections titled "*Capital Structure*" and "*Our Management*" on pages 84 and 206, respectively of this Draft Red Herring Prospectus.

Our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to any firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a director, promoter or otherwise for services rendered by such Promoter or by such firm or company, in connection with the promotion or formation of our Company.

##### Interest in the property, land, construction of building, supply of machinery, etc.

Our Promoter does not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 years before the date of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition

of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Our Promoter is not interested in any other entity which holds any intellectual property rights that are used by our Company.

## **MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as disclosed in the section titled “*Financial Indebtedness*”, on Page No. 286, our Promoter has not extended any guarantees against the Equity Shares held by them to third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Draft Red Herring Prospectus.

### **Payment or Benefits to Promoter or Promoter Group in the Last 2 Years**

Except as stated in the sections titled “*Our Management*” and in “*Related Party Transactions*” forming part of “*Financial Information of the Company*” beginning on pages 206 and 236, respectively, there has been no amounts paid or benefits granted by our Company to our Promoter or any of the members of the Promoter Group in the preceding 2 years nor there are any intention to pay any amount or provide any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

### **Litigation Involving Our Promoter**

For details relating to legal and regulatory proceedings involving the Promoter, please refer to the section titled ‘*Outstanding Litigations and Material Developments*’ beginning on page 292 of this Draft Red Herring Prospectus.

### **Change in the Control of our Company**

Our Promoter is not the original promoter of our Company. For details relating to the build-up of our Promoter’s shareholding in our Company, please refer to the section titled “*Capital Structure – Details of Shareholding of our Promoter, members of the Promoter Group in our Company*” on page 84. Further, there has not been any change in the management or control of our Company in five years immediately preceding the date of this Draft Red Herring Prospectus.

Additionally, pursuant to a resolution passed by the Board of Directors dated June 29, 2024, and shareholders dated August 30, 2024, Mr. Keyur Girishchandra Shah has been identified as Promoter. Accordingly, as on the date of this Draft Red Herring Prospectus, our Company has one Promoter.

### **Other ventures of our Promoter**

Except as disclosed in section titled “*Our Management*” beginning on page 206, our Promoter are not involved in any other venture.

## **B. Our Promoter Group**

In addition to our Promoter, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations are set out below:

### **(a) Natural persons who are part of the Promoter Group**

<b>Name of the Promoter</b>	<b>Name of the relative</b>	<b>Relationship with the Promoter</b>
Mr. Keyur Girishchandra Shah	Twinkle Keyur Shah	Spouse
	Niranjana Girish Shah	Mother
	Bhavin Girishbhai Shah	Brother
	Rishi Shah	Son
	Zea Keyur Shah	Daughter
	Sudhaben Rajnikant Shah	Spouse's Mother
	Rajnikant Vithaldas Shah	Spouse's Father
	Mayur Rajnikant Shah	Spouse's Brother
	Mayank Rajnikant Shah	Spouse's Brother

(b) *Bodies corporate / Entities forming part of the Promoter Group*

Sr. No.	Nature of Relationship	Name of the Promoter Entities/Company
1.	Any body corporate in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	<ul style="list-style-type: none"><li>• Yash Swisstech Private Limited</li><li>• Green Electricals Private Limited</li><li>• Green Enerzon Private Limited</li></ul>
2.	Any company in which a company mentioned in (1) above, holds 20% or more, of the equity share capital	<ul style="list-style-type: none"><li>• Green Electrical USA LLC</li><li>• Ekagreen Solutions Private Limited</li></ul>
3.	Any HUF or trust or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 20% of the total	<ul style="list-style-type: none"><li>• Keyur Girishchandra Shah HUF</li><li>• Rajnikant Vitthaldas Shah HUF</li><li>• Bhavin Girish Shah HUF</li><li>• Shree Narayan Industrial Corporation</li><li>• Desar Estate (Partnership firm)</li><li>• M/s. Upscale Developers (Partnership firm)</li><li>• R A Electricals (Partnership firm)</li><li>• Incredible Garden Art (Proprietorship)</li><li>• Green Solar Farm (Proprietorship)</li></ul>

**Relationship of our Promoter with our Directors**

Except as stated below, none of our Promoter is related to any of our Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Sr. No.	Name of the Promoter	Name of the related Director	Relationship with Promoter
1	Mr. Keyur Girishchandra Shah	Mrs. Twinkle Keyur Shah	Spouse

**COMPANIES WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST 3 YEARS**

Except as disclosed below our Promoter has not disassociated themselves from any companies or firms during the preceding 3 years from the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Promoter	Name of entity from which disassociated.	Date of disassociation	Reason/ circumstances and terms of disassociation
1.	Mr. Keyur Girishchandra Shah	Pfiffner Instrument Transformers Private Limited	June 13, 2024	Resignation from the Directorship

**Common Pursuits/Conflict of Interest**

Our Promoter Group Entity namely, M/s Yash Swisstech Private Limited is a commercial agent of certain foreign manufacturers of electrical power products, which can be considered as similar line of business as of our Company to a limited extent.

Further, other than as disclosed in the section titled 'Our Group Companies' beginning on page 231 of this Draft Red Herring Prospectus, our Promoter do not have any interests in any venture that is involved in any activities similar to those conducted by our Company.

Further, currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Further, refer Risk Factor No. 10 – “*Our Promoter Group Entity and one of our Group Company (which is no longer a related party) are engaged in the line of business similar to our Company. There are no non - compete agreements between our Company and such Promoter Group Entity and Group Company*” under section titled “*Risk Factor*” beginning on page 39 of this Draft Red Herring Prospectus.

### **Confirmations**

Our Promoter, members of our Promoter Group, Promoter Group entities/ companies confirm that:

- They have not been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed for any reasons by the SEBI or any other authority or governmental authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad;
- They have not been declared as a Fugitive Economic Offender under Section 12 of Fugitive Economic Offenders Act, 2018;
- They are not a promoter, directors or person in control of any other company which is debarred or prohibited from accessing or operating in the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority;
- They have not been identified as a wilful defaulter by RBI or any other Government authority; and
- There are no violations of securities laws committed by them in the past or any such proceedings are pending against them.
- Except as disclosed in section titled “*Outstanding Litigations and Material Developments*” beginning on page 292 of this Draft Red Herring Prospectus, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of the Offer against our Promoter.
- Except as disclosed in section titled “*Financial Information*” beginning on page 238 of this Draft Red Herring Prospectus, we are not related to any of the sundry debtors or are not beneficiary of Loans and Advances given by/to our Company.

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than our Promoter) with which our Company had related party transactions as covered under the relevant accounting standards (i.e., Ind GAAP), as per the Restated Financial Statements, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, for the purposes of (ii) above, a company (other than our Promoter and companies categorized under (i) above) have been considered material and shall be disclosed as a group company in this Draft Red Herring Prospectus if:

- (i) such company forming part of the Promoter Group of our Company in terms of Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations ; and
- (ii) the Company has entered into one or more transactions with such company during three month period ended June 30, 2024 and Fiscal 2024, Fiscal 2023 and 2022 which individually or cumulatively in value exceeds 10% of the total income of our Company for the latest fiscal year derived from the Restated Financial Statements.

Our Company had certain related party transactions with:

- (i) Green Electricals Private Limited;
- (ii) MGC Moser-Glaser AG (“**MGC**”) and
- (iii) Pfiffner Instrument Transformers Private Limited (“**Pfiffner India**”)

during the period ended June 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 (“**Financial Years**”). For details, see section titled, “*Financial Information*” on page 238

Of the above-mentioned entities, MGC was related party of our Company on account of the shareholding of MGC in our Company and Pfiffner India being the subsidiary of Pfiffner International AG, parent holding company of MGC. However, pursuant to the share purchase agreement dated March 25, 2024 executed between MGC, our Company and Mr. Keyur Girishchandra Shah, Promoter and MD of our Company, for purchase of the entire shareholding of MGC by Mr. Keyur Girishchandra Shah, MGC was a related party till April 16, 2024.

Additionally, Pfiffner India was related party of our Company as Mr. Keyur Girishchandra Shah, Promoter and MD of our Company, was an executive director on the board of Pfiffner India. However, Mr. Keyur Girishchandra Shah ceased to be a director on the board of Pfiffner India from June 13, 2024 and accordingly Pfiffner India is no longer a related party of the Company with effect from June 13, 2024.

We do not have the consent and/or the requisite information, confirmations and undertakings from, and pertaining to these entities to include MGC and Pfiffner India as part of our group companies.

Our Company had submitted application dated June 20, 2024 (“**Exemption Application**”) to SEBI under Regulation 300 of the SEBI ICDR Regulations, requesting an exemption from recognizing and disclosing MGC Moser Glaser AG, Pfiffner Instrument Transformers Private Limited and Pfiffner International AG as our group companies. In response to the said application SEBI has directed us to include MGC and Pfiffner India as ‘group company’ in accordance with the Regulation 2(1)(t) of SEBI ICDR Regulations and provide such disclosures about these entities to the extent available to our Company from public domain. Accordingly, the disclosures pertaining to MGC and Pfiffner India included in this Draft Red Herring Prospectus are based solely on certain publicly available information published on the websites of the government and regulatory bodies / authorities, and only to the extent available and accessible to our Company (“**Publicly Available Information**”). As a matter of abundant caution, it should be noted that disclosure of MGC and Pfiffner India as a part of disclosures on our Group Companies should not in any way be construed as any relation of our Company with MGC and Pfiffner India as the same are being classified as ‘group company’ only pursuant to certain related party transaction(s) during

the Financial Years and in accordance with the Regulation 2(1)(t) of SEBI ICDR Regulations. Further, we are unable to verify whether the disclosures, or any other confirmations included in this Draft Red Herring Prospectus are complete or up-to date. For further details, see “Risk Factors –Internal Risk Factor no. 8 “*Certain of our Group Companies (which are no longer not related parties) have not consented to the inclusion of, nor have they provided, information or any confirmations or undertakings pertaining to themselves, which are required to be disclosed in relation to Group Companies under the SEBI ICDR Regulations in this Draft Red Herring Prospectus. Consequently, we cannot assure you that the disclosures relating to such Group Companies are complete or up-to-date.*” on page 39.

Based on the above, the details of our Group Companies are set forth below:

**1. Green Electricals Private Limited**

Green Electricals Private Limited was incorporated on May 25, 2005 under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Gujarat at Ahmedabad.

**CIN:** U52335GJ2005PTC046129

**PAN:** AACCG4053A

**Registered Office**

The registered office of Green Electricals Private Limited is located at 152 GIDC Industrial Estate, Makarpura, Vadodara 390010, Gujarat, India,.

**Litigation which has a material impact on our Company**

Except as disclosed below there are no pending litigation involving Green Electricals Private Limited which will have a material impact on our Company.

**Material Tax Claim against the Group Companies**

<b>Detailed subject matter</b>	The Company has received a show cause notice dated September 30, 2023 from the Assistant Commissioner of the State Tax for the matters related to reconciliation of GSTR-01 and GSTR-09, excess claim of ITC, under declaration of ineligible ITC and ITC claimed from cancelled dealers, return defaulters & tax non payers aggregating to an amount of GST Liability of ₹ 255.35 Lakhs excluding the amount of interest and penalty of ₹ 252.48 Lakhs and ₹ 25.53 Lakhs respectively.  The Company has replied to the show cause notice on October 05, 2023. The department after considering the reply filed, waived the amount of ₹ 255.35 Lakhs towards GST Liability and ₹ 25.53 Lakhs towards penalty and reduced the amount of interest partially to the tune of ₹ 38.18 Lakhs.
<b>Department</b>	GST Department
<b>State in which the case is being filed</b>	Gujarat
<b>Amount Involved</b>	₹ 38.18 Lakhs towards Interest
<b>Period</b>	July 2017 to March 2018
<b>Any interim order passed by the authority</b>	Not Applicable
<b>Current Status</b>	The matter is currently pending

For further details, see section titled “*Outstanding Litigations And Material Developments*” on page 292.

**Financial Performance**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements available for the Financial Years 2024, 2023 and 2022 are available at <https://yashhv.com/>.



### ***Common pursuits***

Green Electricals Private Limited is engaged in dealing in various electrical goods viz. Cables & Wires, Cable Jointing Kit, Conduits and Fittings, Lugs, Glands, Crimping Tools, Lighting, Switches, Switchgears, Distribution Boards, Box, Fans, Power Tools, Cable Tray However, there are no common pursuit amongst Green Electricals Private Limited and our Company, as it is involved in different business vertical.

### ***Nature and extent of interest of Green Electricals Private Limited***

#### **a. Interest in the promotion of our Company**

Green Electricals Private Limited has no interest in the promotion of our Company.

#### **b. Interest in the property acquired or proposed to be acquired by the Company**

Green Electricals Private Limited has no interest in the properties acquired by our Company in the three preceding years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company.

#### **c. Interest in transactions for acquisition of land, construction of building, or supply of machinery**

Green Electricals Private Limited has no interest in any transactions for acquisition of land, 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 sections titled “*Financial Information*” and “*Related Party Transaction*” on pages 68 and 236, respectively, there are no other business transactions between our Company and Green Electricals Private Limited which are significant to the financial performance of our Company.

### ***Business interests or other interests***

Except as disclosed in section titled “*Related Party Transactions*” on page 236, Green Electricals Private Limited does not have any business interest in our Company.

### ***Confirmations***

Green Electricals Private Limited does not have any securities listed on a stock exchange. Further, our Green Electricals Private Limited have not made any public or rights issue of securities in the three years preceding the date of this Draft Red Herring Prospectus.

## **2. MGC Moser-Glaser AG (“MGC”)**

MGC is registered with Registry of Commerce, Switzerland.

**UID:** CHE-105.244.053

**VAT:** CHE-105.244.053 MWST

### ***Registered Office***

The registered office of MGC is located at Lerchenweg 21, 4303 Kaiseraugst, Switzerland.

### ***Litigation which has a material impact on our Company***

Since, we are unable to find information regarding the litigations involving MGC from Publicly Available Information, we are unable to ascertain whether there is any litigation which has a material impact on our Company.

### ***Financial Performance***

Since, we are unable to find information regarding the financial performance of MGC from Publicly Available Information, we are unable to provide such information.

### ***Common pursuits***

MGC is in the similar line of business as that of our Company and accordingly, there are certain common pursuits with our Company. If any conflict of interest amongst MGC and our Company, we will adopt necessary procedures and practices as permitted by law to address such situations as and when they arise.

### ***Nature and extent of interest of Group Company***

**a. Interest in the promotion of our Company**

MGC has no interest in the promotion of our Company.

**b. Interest in the property acquired or proposed to be acquired by the Company**

MGC has no interest in the properties acquired by our Company in the three preceding years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company.

**c. Interest in transactions for acquisition of land, construction of building, or supply of machinery**

MGC has no interest in any transactions for acquisition of land, 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 sections titled “*Financial Information*” and “*Related Party Transaction*” on pages 68 and 236, respectively, there are no other business transactions between our Company and MGC which are significant to the financial performance of our Company.

### ***Business interests or other interests***

Except as disclosed in section titled “*Related Party Transactions*” on page 236, MGC does not have any business interest in our Company.

### ***Confirmations***

MGC does not have any securities listed on a stock exchange in India. Further, we are unable to find information regarding the any public or rights issue of securities of MGC from Publicly Available Information, in the three years preceding the date of this Draft Red Herring Prospectus.

## **3. Pfiffner Instrument Transformers Private Limited**

Pfiffner Instrument Transformers Private Limited was incorporated on December 10, 2018 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai.

**CIN:** U31909MH2018FTC318024

**PAN:** AAKCP2523J

### ***Registered Office***

The registered office of Pfiffner Instrument Transformers Private Limited is located at G.No.176, 178/2 Village Sarul, Nashik-422010, Maharashtra, India.

### ***Litigation which has a material impact on our Company***

Since, we are unable to ascertain regarding the litigations involving Pfiffner Instrument Transformers Private Limited, the material impact on our Company cannot be determined.

### ***Financial Performance***

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, to the extent disclosed in the audited financial statements available on the website [www.mca.gov.in](http://www.mca.gov.in) of Pfiffner Instrument Transformers Private Limited for the last Financial Years 2023, 2022 and 2021 are available on [www.yashhv.com](http://www.yashhv.com)

### ***Common pursuits***

Pfiffner Instrument Transformers Private Limited is in the similar line of business as that of our Company and accordingly, there are certain common pursuits with our Company. However, there are no conflict of interest amongst Pfiffner Instrument Transformers Private Limited and our Company. If required, our Company will adopt necessary procedures and practices as permitted by law to address any conflict situations as and when they arise.

### ***Nature and extent of interest of Group Company***

#### **a. Interest in the promotion of our Company**

Pfiffner Instrument Transformers Private Limited has no interest in the promotion of our Company.

#### **b. Interest in the property acquired or proposed to be acquired by the Company**

Pfiffner Instrument Transformers Private Limited has no interest in the properties acquired by our Company in the three preceding years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company.

#### **c. Interest in transactions for acquisition of land, construction of building, or supply of machinery**

Pfiffner Instrument Transformers Private Limited has no interest in any transactions for acquisition of land, 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 sections titled “*Financial Information*” and “*Related Party Transaction*” on pages 68 and 236, respectively, there are no other business transactions between our Company and Pfiffner Instrument Transformers Private Limited which are significant to the financial performance of our Company.

### ***Business interests or other interests***

Except as disclosed in section titled “*Related Party Transactions*” on page 236, Pfiffner Instrument Transformers Private Limited does not have any business interest in our Company.

### ***Confirmations***

Pfiffner Instrument Transformers Private Limited does not have any securities listed on a stock exchange. Further, Pfiffner Instrument Transformers Private Limited has not made any public issue of securities in the three years preceding the date of this Draft Red Herring Prospectus.

## **RELATED PARTY TRANSACTIONS**

For details on related party transactions of our Company, please refer “*Note 40- Related party disclosures under accounting standard (AS-18)*” under section titled “*Restated Financial Statements*” beginning on Page 238 of this Draft Red Herring Prospectus.

## DIVIDEND POLICY

Under the Companies Act, 2013 a company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The AoA of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by our Board of Directors.

The AoA of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous Financial Year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The dividend distribution policy of our Company was approved and adopted by our Board of Directors on June 29, 2024.

Final Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

The declaration and payment of dividend will depend on a number of internal and external factors. Some of the internal factors on the basis of which our Company may declare dividend shall *inter alia* include profits, past dividend trends, cost of borrowings, capital expenditure plans including organic and inorganic growth opportunities and the Company’s liquidity position. The external factors on the basis of which our Company may declare the dividend shall *inter alia* include the state of economy and capital markets, applicable taxes and regulatory changes which include the introduction of new or changes in existing tax or regulatory requirements.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time.

For details in relation to risks involved in this regard, see section titled “*Risk Factors – Internal Risk Factors – Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows*” on page 39.

Details of dividends distributed on the Equity Shares are as follows:

Particulars	Period			
	For the period ended June 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
No of Equity Shares	73,82,083	30,75,868	30,75,868	30,75,868
Face Value of equity shares	10	10	10	10
Interim Dividend ( <i>₹ in lakhs</i> )	-	-	125.00	-
Final Dividend ( <i>₹ in Lakhs</i> )	-	-	201.03	259.66
<b>Total Dividend</b>	-	-	<b>326.03</b>	<b>259.66</b>
Dividend per equity share	-	-	10.60	8.44
Dividend rate <sup>\$</sup>	-	-	106%	84.4%
Mode of distribution of dividend	-	-	RTGS/NEFT	RTGS/NEFT
Dividend distribution Tax	-	-	-	-
Date of declaration (Interim)	-	-	March 23, 2023	-
Date of declaration (Final)	-	-	August 03, 2023	August 17, 2022

Dividend per equity share = Total dividend/ Number of equity shares

\$ Rate of dividend = Total Dividend per equity share/ Face value per equity share

**SECTION IX: FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

The separate audited financial statements for the past financial years immediately preceding the date of the Draft Red Herring Prospectus of our Company have been made available on the website of the Company at <https://yashhv.com/>

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

To,  
The Board of Directors,  
**Yash Highvoltage Limited**

Dear Sirs,

1. We have examined the attached Restated Financial Information of Yash Highvoltage Limited (the "Company") comprising the Restated Statement of Assets and Liabilities as at June 30, 2024, March 31, 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the three month period ended June 30, 2024 and for the years ended March 31, 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 14<sup>th</sup> October 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Security Exchange Board of India, Bombay Stock Exchange, and Registrar of Companies, Gujarat and Dadra & Nagar Haveli in connection with the proposed SME IPO. The Restated Financial Information have been prepared by the management of the Company for the period ended 30<sup>th</sup> June 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 on the basis of preparation stated in note-B to the Restated

Financial Information. The Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

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 18<sup>th</sup> July 2024 in connection with the proposed SME IPO of equity shares of the Company;
  - b) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by ICAI. 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 Information; and Restated Financial Information and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from Audited financial statements of the Company for the period ended 30<sup>th</sup> June 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, which have been approved by the Board of Directors at their meeting held on 14<sup>th</sup> October 2024, 29<sup>th</sup> June 2024, 21<sup>st</sup> July 2023 & 19<sup>th</sup> July 2022 respectively. The financial statements of the Company for the year ended 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 have been audited by M/s. Naresh & Co. (the "Previous Auditors").
5. For the purpose of our examination, we have relied on:
  - a) Auditors' Report issued by us dated 14<sup>th</sup> October 2024 on the audit of financial statement as at 3 months period ended 30<sup>th</sup> June 2024 as referred to in para [4] above.
  - b) Auditors' Report issued by the Previous Auditors dated 29<sup>th</sup> June 2024, 21<sup>st</sup> July 2023 & 19<sup>th</sup> July 2022 on the financial statements of the company as at and for the years ended March 31, 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, as referred in Paragraph [4] above.



6. There were no modifications to the audit reports on the financial statements issued by Previous Auditors as at and for the years ended 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 and by us as at and for the period ended 30<sup>th</sup> June 2024.
7. We have examined:
  - a) The attached Restated Statement of Assets and Liabilities of the Company, as at 30<sup>th</sup> June 2024, 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022.
  - b) The attached Restated Statement of Profits & Losses of the Company for the period ended 30<sup>th</sup> June 2024 & 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.
  - c) The attached Restated Statement of Cashflows of the Company for the period ended 30<sup>th</sup> June 2024 & 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.
  - d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of adjustments / regroupings.
8. Based on our examination, as per reliance placed by us on the audited financial statements of the company and auditor's report thereon, which have been prepared by us for the period ended 30<sup>th</sup> June 2024 and by the previous auditor for the year ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and according to the information and explanations given to us, we report that the Restated Financial Information:
  - i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 & 31<sup>st</sup> March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended June 30, 2024;
  - ii. do not require any adjustments for the matters giving rise to modifications as stated in paragraph 6 above; and
  - iii. Made after incorporating adjustments for any material amounts in the respective financial years to which they relate; and

- iv. Have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. We, M/s Shah Mehta & Bakshi, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountant of India ('ICAI') and hold the peer review certificate no. 014422 having effective date from 20<sup>th</sup> July 2022 to 31<sup>st</sup> July 2025.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph [4] above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Security Exchange Board of India, Bombay Stock Exchange and Registrar of Companies, Gujarat and Dadra & Nagar Haveli in connection with the proposed SME 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 Shah Mehta and Bakshi**  
**Chartered Accountants**  
Firm Registration No. 103824W

SD

**Daxal Pandya**  
**Partner**  
**Membership No.:** 177345  
**Date:** 14<sup>th</sup> October 2024  
**Place:** Vadodara  
**UDIN:** 24177345BKBFJK9071

## YASH HIGHVOLTAGE LIMITED

## RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

Particulars	Note No.	As at 30-Jun-24	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-22
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	738.21	307.59	307.59	307.59
Reserves and Surplus	2	3,787.99	3,905.86	2,900.62	2,143.06
		4,526.20	4,213.45	3,208.21	2,450.65
<b>Non Current Liabilities</b>					
Long Term Borrowings	3	556.88	495.53	424.11	382.54
Long -Term Provisions	4	63.40	51.30	45.95	27.63
Other Long Term Liabilities	5	10.54	8.94	2.47	2.07
		630.81	555.77	472.53	412.24
<b>Current Liabilities</b>					
Short-Term Borrowings	6	700.09	212.11	353.49	361.95
Trade Payables					
(a) Total Outstanding Dues Of Micro Enterprises And Small Enterprises	7	102.63	65.38	87.66	79.77
(b) Total Outstanding Dues Of Creditors Other Than Micro Enterprises And Small Enterprises	7	1,291.78	1,510.79	1,344.61	692.74
Other Current Liabilities	8	663.98	423.90	391.59	233.07
Short-Term Provisions	9	168.87	57.89	56.50	85.41
		2,927.35	2,270.07	2,233.85	1,452.94
<b>Total</b>		<b>8,084.36</b>	<b>7,039.29</b>	<b>5,914.59</b>	<b>4,315.83</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property Plant & Equipment & Intangible Asset					
(a) Property Plant & Equipment	10	1,792.54	1,817.89	1,663.92	1,438.99
(b) Intangible Asset	10	17.41	18.03	8.40	9.48
(c) Capital Work-in-Progress	10	974.72	494.80	-	19.36
(d) Intangible Asset under Development	10	84.30	13.50	-	-
Deferred Tax Asset (Net)	11	31.25	24.86	18.78	13.05
Long-Term Loans and Advances	12	327.89	402.58	90.00	-
Other non-current assets	13	76.16	376.16	136.78	27.74
		3,304.26	3,147.82	1,917.89	1,508.63
<b>Current Assets</b>					
Inventories	14	2,252.01	2,127.34	1,641.03	1,239.18
Trade Receivables	15	1,692.94	1,252.32	1,644.39	945.31
Cash & Bank Balance	16	454.75	263.88	600.97	548.84
Short-Term Loans and Advances	17	380.39	247.92	110.32	73.87
		4,780.10	3,891.47	3,996.71	2,807.20
<b>Total</b>		<b>8,084.36</b>	<b>7,039.29</b>	<b>5,914.59</b>	<b>4,315.83</b>
Significant Accounting Policies & Notes on Financial Statements	1-45				

As per attached report of even date

For Shah Mehta &amp; Bakshi

Chartered Accountants

FRN: 103824W

For and on behalf of

YASH HIGHVOLTAGE LIMITED

CIN : U40109GJ2002PLC040833

Daxal Pandya

Partner

M. No.177345

Date: 14-10-2024

Keyur Shah

Managing Director

DIN: 01064190

Date: 14-10-2024

Twinkle Shah

Director

DIN: 03575362

Date: 14-10-2024

Sumit Poddar

CFO

Date: 14-10-2024

Date: 14-10-2024

Tushar Lakhmapurkar

CS

Date: 14-10-2024

Date: 14-10-2024

**YASH HIGHVOLTAGE LIMITED**  
**RESTATED STATEMENT OF PROFIT & LOSS**

(Rs. In Lakhs)

Particulars	Note No.	Period Ended	Year Ended	Year Ended	Year Ended
		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
I) Revenue from operations	18	2,762.88	10,848.08	9,036.21	6,505.71
II) Other Income	19	14.96	64.17	24.95	32.19
III) <b>Total Income</b>		<b>2,777.84</b>	<b>10,912.25</b>	<b>9,061.15</b>	<b>6,537.90</b>
IV) <b>Expenses</b>					
Cost of Materials Consumed	20	1,415.67	6,170.11	5,122.61	3,798.69
Restated Statement of Changes in inventory of Finished Goods & Work-In-Progress	21	105.19	(150.35)	(80.80)	(72.60)
Employee Benefits Expense	22	282.29	1,188.72	1,019.24	565.19
Finance Cost	23	46.92	206.99	114.42	103.62
Depreciation & Amortisation	24	59.69	222.54	202.82	138.05
Other Expenses	25	437.25	1,624.52	1,059.44	763.28
<b>Total Expenses</b>		<b>2,347.01</b>	<b>9,262.53</b>	<b>7,437.73</b>	<b>5,296.22</b>
V) <b>Profit/(Loss) before exceptional and extraordinary items</b>		<b>430.83</b>	<b>1,649.72</b>	<b>1,623.43</b>	<b>1,241.68</b>
VI) Extraordinary Items		-	-	-	-
VII) <b>Profit before tax (V- VI)</b>		<b>430.83</b>	<b>1,649.72</b>	<b>1,623.43</b>	<b>1,241.68</b>
VIII) <b>Tax expense:</b>					
Current Tax		124.46	449.53	486.93	378.10
Deferred Tax		(6.38)	(6.08)	(5.73)	(7.64)
IX) <b>Profit / (Loss) for the year after tax (VII-VIII)</b>		<b>312.75</b>	<b>1,206.27</b>	<b>1,142.22</b>	<b>871.23</b>
X) <b>Earnings per equity share: *</b>					
(1) Basic (Rs. per share) [in Absolute Terms]		1.41	5.45	5.16	3.93
(2) Diluted (Rs. per share) [in Absolute Terms]		1.41	5.45	5.16	3.93
*EPS for all years have been recasted after factoring in sub-division of face value of equity shares and bonus issue of equity shares to equity shareholders [Refer note-26]					
Significant Accounting Policy & Notes on Financial Statements	1-45				

As per attached report of even date

**For Shah Mehta & Bakshi**  
**Chartered Accountants**  
FRN: 103824W

**For and on behalf of**  
**YASH HIGHVOLTAGE LIMITED**  
CIN : U40109GJ2002PLC040833

<b>Daxal Pandya</b> Partner M. No.177345 Date: 14-10-2024	<b>Keyur Shah</b> Managing Director DIN: 01064190 Date: 14-10-2024	<b>Twinkle Shah</b> Director DIN: 03575362 Date: 14-10-2024	<b>Sumit Poddar</b> CFO Date: 14-10-2024	<b>Tushar Lakhmapurkar</b> CS Date: 14-10-2024
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**YASH HIGHVOLTAGE LIMITED**  
**RESTATED STATEMENT OF CASHFLOW**

(Rs. In Lakhs)

Particulars	As at 30-Jun-24	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-22
<b>A Cash Flow From Operating Activities</b>				
Net Profit Before Tax	430.83	1,649.72	1,623.43	1,241.68
Adjustments For :				
Add : Depreciation	59.69	222.54	202.82	138.05
Finance Charges	46.92	206.99	114.42	103.62
Interest Income	(7.90)	(19.28)	(13.23)	(12.92)
Asset Written off	-	14.15	0.04	-
Less : (Gain)/ Loss on Sale of PPE	(6.61)	(3.57)	-	-
Operating Profit Before Working Capital Changes	522.92	2,070.56	1,927.48	1,470.43
Adjustments For :				
(Increase) / Decrease Trade Receivables	(440.62)	392.07	(699.08)	(269.53)
(Increase)/Decrease in Inventories	(124.67)	(486.31)	(401.86)	(169.72)
(Increase)/Decrease in Loans & Advances	(57.78)	(450.18)	(126.45)	142.05
(Increase)/Decrease in Non Current Assets	299.99	(239.37)	(109.04)	(11.91)
Increase (Decrease) in Other Long Term Liabilities	1.60	6.47	0.40	2.07
Increase (Decrease) in Trade Payables	(181.75)	143.89	659.76	40.05
Increase (Decrease) in Other Current Liabilities	240.07	32.31	158.52	(5.42)
Increase (Decrease) in Provisions	52.98	3.21	26.35	(92.02)
Cash Generated from Operations	312.74	1,472.64	1,436.09	1,106.00
Direct Taxes paid	(54.36)	(446.00)	(523.87)	(378.10)
<b>Net Cash From Operating Activities</b>	<b>258.38</b>	<b>1,026.64</b>	<b>912.22</b>	<b>727.90</b>
<b>B Cash Flow From Investing Activities</b>				
(Purchase) of PPE incl. CWIP	(587.07)	(932.37)	(407.34)	(666.63)
Net Proceeds from Sale of PPE	9.25	27.34	-	-
Bank balances not considered as Cash & Cash Equivalent (net)	(407.89)	360.69	(17.31)	(327.00)
Interest Income	7.90	19.28	13.23	12.92
<b>Net Cash flow / use In Investing Activities</b>	<b>(977.81)</b>	<b>(525.06)</b>	<b>(411.43)</b>	<b>(980.71)</b>
<b>C Cash Flow From Financing Activities</b>				
Finance Charges	(46.92)	(206.99)	(114.42)	(103.62)
Net Increase in Long Term Borrowings	61.35	71.42	41.57	250.13
Increase / (Decrease) in Short Term Borrowings	487.98	(141.38)	(8.46)	253.72
Dividend Paid & Tax Thereon	-	(201.03)	(384.66)	(116.98)
<b>Net Cash From / (In) Financing Activities</b>	<b>502.40</b>	<b>(477.97)</b>	<b>(465.97)</b>	<b>283.25</b>
<b>D Net Increase In Cash And Cash Equivalents ( A + B + C )</b>	<b>(217.02)</b>	<b>23.61</b>	<b>34.81</b>	<b>30.44</b>
<b>E Opening Cash And Cash Equivalents</b>	<b>263.88</b>	<b>240.28</b>	<b>205.47</b>	<b>175.03</b>
<b>F Closing Cash And Cash Equivalents (D+E)</b>	<b>46.86</b>	<b>263.88</b>	<b>240.28</b>	<b>205.47</b>
<b>Components of Cash and Cash Equivalents</b>				
Balance with Bank	29.26	124.79	17.56	205.16
Cheques, drafts on hand	14.07	32.78	196.22	-
Cash on hand	3.53	0.06	0.80	0.31
Earmarked balances with banks (of Unpaid Dividend)	-	-	25.70	-
Fixed Deposit with Bank (Maturity within 3 Months)-Held as	-	-	-	-
Margin Money	-	106.25	-	-
<b>Cash and Cash Equivalents as per Note No. 16</b>	<b>46.86</b>	<b>263.88</b>	<b>240.28</b>	<b>205.47</b>

Notes:

- 1 : The above Cash flow statement has been prepared under the indirect method as set out in the AS - 3 Cash Flow Statements issued by the Institute of Chartered Accountant of India.
- 2 : Cash and cash equivalents for the purposes of financial statement comprise cash in hand, cheques on hand, balances with bank and Fixed deposits (Maturity within 3 months or less) with bank as per Note No - 16.
- 3 : Previous Year figures have been regrouped when necessary to confirm to the current year's/period classification.

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As per our report of the even date

**For Shah Mehta & Bakshi**  
**Chartered Accountants**  
FRN: 103824W

**For and on behalf of**  
**YASH HIGHVOLTAGE LIMITED**  
CIN : U40109GJ2002PLC040833

<b>Daxal Pandya</b>	<b>Keyur Shah</b>	<b>Twinkle Shah</b>	<b>Sumit Poddar</b>	<b>Tushar</b>
<b>Partner</b>	<b>Managing Director</b>	<b>Director</b>	<b>CFO</b>	<b>Lakhmapurkar</b>
M. No.177345	DIN: 01064190	DIN: 03575362		<b>CS</b>
Date: 14-10-2024	Date: 14-10-2024	Date: 14-10-2024	Date: 14-10-2024	Date: 14-10-2024

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**SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO RESTATED FINANCIAL INFORMATION**

**A Company Overview:**

Yash Highvoltage Limited (“the company”) was originally incorporated in name of M/s Yash Highvoltage Insulators Private Limited in 2002 by technocrats to engage in the business of manufacturing of high end transformer bushings.

The Company has been delivering innovative and highly efficient transformer bushings to the industry ranging from RIP, HV-OIP, LV High Current, HV RIP Condenser Bushings and FRP Cylinders since many years. It has spread its wings to numerous countries and created a brand name for itself. With continued patronage of its discerning customers, most of whom are domestic and global giants of the industry, clubbed with international collaborations, YASH today is synonymous with high-performance and world-class quality solutions at competitive value and has carved out a distinct niche for itself. It has a distinct track record of growth which is expected to only get better going forward.

With the vision of creating a global large scale enterprise, the present promoters have decided to take the next step whereby, the Company has been converted to a Limited Company and the name of the Company was changed to Yash Highvoltage Limited, approval to which was accorded by the Registrar of Companies on 07.03.2018.

**B Basis of Preparation of Restated Financial Statement:**

The Restated Financial Statements are prepared on accrual basis of accounting, following historical cost convention, in accordance with the provisions of the Companies Act, 2013 (‘the Act’), accounting principles generally accepted in India and comply the accounting standards specified under Section 133 of the Act, read with relevant applicable rules, as amended from time to time. The restated financial information has been prepared for inclusion in the Draft Red Hearing Prospectus ("DP" or "offer document") to be filed by the Company with the Security Exchange Board of India, Bombay Stock of Exchange (‘BSE’) & Registrar of Company, Gujarat, Dadra & Nagar Haveli the Bombay Stock of Exchange (‘BSE’) in connection with proposed Initial Public Offering of its equity shares of face value of Rs 5 each of the Company comprising a fresh issue of equity shares and offer for sale of equity shares held by an existing shareholders (the “Offer”), in accordance with the requirements of:

- a) Section 26 of part I of Chapter III of the Act
- b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- c) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”)

**C Use of Estimate**

The preparation of restated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the restated financial statement and the results of operations during the reporting period end. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date.

**D Property Plant & Equipment:**

- a. Property, Plant & Equipment are stated at their cost of acquisition less any subsidy / grant received less accumulated depreciation. The cost of acquisition includes freight, installation cost, duties & taxes for which no credit is available and other incidental expenses, identifiable with the asset, incurred during the installation / construction stage in order to bring the assets to their working condition for intended use.

## YASH HIGHVOLTAGE LIMITED NOTES TO RESTATED FINANCIAL STATEMENTS

- b. Internally generated Intangible assets have been stated at cost of generation as per Accounting Standard 26 "Intangible Assets" less accumulated amortization. Other Intangible assets are stated at direct cost incurred and other costs identified as incurred towards the same less any subsidy / grant received less accumulated amortization.
- c. Any Property, Plant & Equipment under construction as at the Balance Sheet date are shown as Capital Work in Progress.
- d. Depreciation on assets is being provided on the Written Down Value Method on the basis of useful lives specified in Part C of Schedule II to the Companies Act, 2013 except in respect of Server where the useful life have been determined by the management to be 3 years in line with that of regular computer units based on technical assessment. Estimated useful lives of the assets are as follows:

Sr. No.	Particulars	Useful lives (in years)
1	Factory Building	30
2	Plant, Machinery & Tools & Equipment	15
3	Furniture & Fixtures	10
4	Computer	3
5	Office Equipment	5
6	Vehicle	8
7	R&D Plant & Machinery	15

- e. On addition / disposals during the year, depreciation has been provided on pro-rata basis depending on period of usage.
- f. Cost of Intangible Assets is amortized over its estimated useful life i.e. 5 years for Software & 10 years for Technical Know-how on pro-rata basis.

### E Capital Work in Progress:

- a. Capital work-in-progress is carried at cost, comprising direct cost and related incidental expenses.

### F Leases:

#### Operating lease

Lease rentals in respect of assets acquired under operating lease are charged off to the statements of profit and loss as incurred on straight line basis.

### G Investment:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

### H Inventories:

- a. Raw Materials and Consumables are valued at Cost or NRV which ever is lower. The cost is arrived on FIFO basis. 'Cost' includes all duties, taxes (other than those subsequently recoverable by the enterprise from the taxing authorities) and other expenses incurred to bring the inventories to their present location and condition.
- b. Finished products are valued at lower of cost or net realizable value.
- c. Semi-Finished goods have been valued at Raw Material cost increased by a proportion of overheads in consonance with the stage of completion as certified by the management.



**I Employees Benefit:**

- a. Employee Benefits comprise short term as well as long term defined contribution and benefit plans.
- b. Contributions to Provident Fund and Employee State Insurance are defined contributions. The Company's Contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no further obligations beyond the periodic contributions.
- c. The Company policy of Leave Encashment falls under short-term compensation plan as it usually pays off the employees against their accumulated leave on a short term basis. However, unpaid leaves as at year end, if any are provided for.
- d. The Company continues to have a defined benefit Gratuity plan. The Company has obtained actuarial valuation for creating a provision towards Gratuity obligations that may arise in the years to come and accordingly the amount towards Gratuity as per the report of actuarial valuation is provided for.

**J Sales/Turnover Income recognition:**

- a. Revenue is recognized on transfer of property in goods or on transfer of significant risks and rewards of ownership to the buyer, for a consideration, without the seller retaining any effective control over the goods.
- b. Sales are accounted on dispatch of goods (which generally coincides with the transfer of ownership) and are net of goods and service tax and net of returns/rejections/deductions on account of quality disputes etc.
- c. In case of services, revenue is recognized on completion of particular services.
- d. Other items of income such as Interest, Duty Drawback etc are accounted on accrual basis (depending on certainty of realization) and disclosed under the head "Other Operating Income".

**K Goods and Service Tax (GST) and Input Tax Credit (ITC):**

- a. Purchases and Sales are accounted net of GST element and net of recoveries, if any.
- b. Expenses are accounted net of GST Input Tax Credit Available.
- c. Element of Input Tax Credit is set off against the amount of GST to be paid on sales / provision of services. Net Amount Payable against GST is shown under Current Liabilities and Balance amount of Input Tax Credit of GST as at the end of the period appears under the head Loans & Advances named-Balance with revenue authorities.

**L Accounting on Tax on Income:**

- a. Provision for taxation for the year under report includes provision for Current tax as well as provision for deferred tax.
- b. Provision for Current Tax is made, based on tax estimated to be payable as computed under the various provisions of the Income Tax Act, 1961.
- c. Deferred tax is recognized, subject to prudence, on timing differences between taxable income and accounting income that originate during the year and are capable of being reversed in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that future taxable income will be available against which such deferred tax assets can be realised. Deferred Tax Liabilities / Assets are quantified using the tax rates and tax laws enacted or substantively enacted as on the balance sheet date.

**M Impairment of Assets:**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are

An intangible asset not yet available for use is tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

**N Borrowing Cost:**

According to AS-16, borrowing costs that are directly attributable to the acquisition of qualifying assets are to be capitalized for the period until the asset is ready for its intended use. A qualifying asset being, an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are to be recognized as an expense in the period in which they are incurred.

**O Government Grants:**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is shown as a deduction from the gross value of concerning asset and thus such grant is recognised in Profit and Loss Account over the useful life of asset by way of a reduced depreciation charge. Where the government grants are of the nature of promoter's contribution and no repayment is ordinarily expected in respect thereof, the grants are treated as capital reserve.

**P Foreign Currency Transactions:**

Transactions in foreign currency are recorded in Indian Rupees at the exchange rate prevailing on the date of the transactions. Balances of monetary items in foreign currencies, at the date of Balance Sheet i.e. foreign currency monetary transactions not settled on the Balance Sheet date, are converted into Indian Rupees at the rates of exchange prevailing on that date. Exchange gains or losses on settlement, if any, are treated as income or expenditure respectively in the Statement of Profit & Loss in the year in which they arises.

**Q Foreign Currency Derivative Contracts:**

The Company is exposed to foreign currency fluctuations on foreign currency assets and forecasted cash flows denominated in foreign currency. The Company tries to limit the effects of foreign exchange rate fluctuations by following risk management policies including use of derivatives. For this the Company enters into forward exchange contracts, where the counter-party is a Bank. These forward contracts are not used for trading or speculation purposes.

## YASH HIGHVOLTAGE LIMITED NOTES TO RESTATED FINANCIAL STATEMENTS

In case of forward contracts the gain or loss arising on exercise of option or settlement or cancellation are recognized in the Statement of profit and loss for the period. The forwards contracts outstanding as at the balance sheet date, if any, are marked-to-market and corresponding exchange gain or loss is recognized on the same.

### **R Contingencies / Provisions:**

Provisions are recognized when an enterprise has a present obligation as a result of past event for which it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimates.

Provisions for legal claims, product warranties and make good obligations 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or the present obligations that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent Asset are neither disclosed nor recognised in Financial Statement.

### **S Cash & Cash Equivalents**

Cash and cash equivalents for the purposes of the cash flow statement comprise cash at bank, in hand and short-term investments with an original maturity of three months or less.

### **T Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **U Cash Flow Statement**

Cash flows are reported using the Indirect Method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

## 1 Restated Statement of Share Capital

(Rs. In Lakhs)

	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
Authorized Share Capital 75,00,000 {P.Y. 35,00,000} Equity Shares of Rs. 10- each	750.00	350.00	350.00	350.00
Issued, Subscribed and Paid up Capital 73,82,083 {P.Y. 30,75,868} Equity Shares of Rs. 10/- each Fully Paid-up* *(20,31,440 equity shares of Rs. 10/- each issued as fully paid up bonus shares by way of capitalization of free reserves during FY 2017-18 and 43,06,215 equity shares of Rs. 10/- each issued as fully paid up bonus shares by way of capitalization of free reserves during period ended on 30-06-2024).	738.21	307.59	307.59	307.59
Total	738.21	307.59	307.59	307.59

## a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particular	30-Jun-24		31-Mar-24		31-Mar-23		31-Mar-22	
	No. of Shares	(Rs. In Lakhs)	No. of Shares	(Rs. In Lakhs)	No. of Shares	(Rs. In Lakhs)	No. of Shares	(Rs. In Lakhs)
At the beginning of the period	30,75,868	307.59	30,75,868	307.59	30,75,868	307.59	30,75,868	307.59
Add: Bonus Shares Issued during the period ended 30th June 2024 [Refer Note No- 26]	43,06,215	430.62	-	-	-	-	-	-
Outstanding at the end	73,82,083	738.21	30,75,868	307.59	30,75,868	307.59	30,75,868	307.59

## b Terms / Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. All shares are pari passu with reference to all rights relating thereto. In event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all the preferential amounts in proportion to their shareholding.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

## c Details of promoter / shareholders holding more than 5% shares in the company at the end of Year/Period.

Name of promoters/Shareholders	30-Jun-24		31-Mar-24		31-Mar-23		31-Mar-22	
	No of Shares	% holding	No of Shares	% holding	No of Shares	% holding	No of Shares	% holding
Equity shares of Rs. 10 each fully paid								
Keyur Shah-Promoter	54,80,757	74.24%	21,59,370	70.20%	21,59,370	70.20%	21,59,370	70.20%
Kunjil Patel - Shareholder	3,69,233	5.002%	-	0.00%	-	0.00%	-	0.00%
MGC Moser Glaser AG*- Shareholder	-	0.00%	7,90,498	25.70%	7,90,498	25.70%	7,90,498	25.70%

\*During the quarter ended 30th June 2024, MGC Moser Glaser AG has sold its entire stake and accordingly its holding in the company has been reduced to zero.)

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal as well as beneficial ownerships of shares.

## d Details of Changes in Promoter holding in the company during the year/Period ended.

Name of promoters	30-Jun-24		31-Mar-24		% Change during the Period
	No of Shares	% holding	No of Shares	% holding	
Equity shares of Rs. 10 each fully paid					
Keyur Shah	54,80,757	74.24%	21,59,370	70.20%	4.04%
Twinkle Shah*	-	0.00%	-	0.00%	0.00%
Total	54,80,757	74.24%	21,59,370	70.20%	4.04%

(\*Twinkle Shah ceased to be Promoter of the Company by virtue of resolution dated 21st July, 2023 and accordingly will be termed as relative of Promoter/KMP.)

Name of promoters	31-Mar-24		31-Mar-23		% Change during the Year
	No of Shares	% holding	No of Shares	% holding	
Equity shares of Rs. 10 each fully paid					
Keyur Shah	21,59,370	70.20%	21,59,370	70.20%	0.00%
Twinkle Shah*	-	0.00%	90,000	2.93%	-2.93%
Total	21,59,370	70.20%	22,49,370	73.13%	-2.93%

Name of promoters	31-Mar-23		31-Mar-22		% Change during the Year
	No of Shares	% holding	No of Shares	% holding	
Equity shares of Rs. 10 each fully paid					
Keyur Shah	21,59,370	70.20%	21,59,370	70.20%	0.00%
Twinkle Shah	90,000	2.93%	90,000	2.93%	0.00%
Total	22,49,370	73.13%	22,49,370	73.13%	0.00%

e **Bonus share, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 30th June, 2024**

During the five years immediately preceding 30th June, 2024, the Company have not issued any bonus shares except as stated below.

Name of promoters	30-Jun-24		31-Mar-24		31-Mar-23		31-Mar-22	
	No of Shares	Ratio	No of Shares	Ratio	No of Shares	Ratio	No of Shares	Ratio
Bonus issue	43,06,215	7:5	-	-	-	-	-	-

(Refer Note No: 26)

(Rs. In Lakhs)

**2 Restated Statement of Reserves And Surplus**

	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Securities Premium</b>				
Opening Balance	575.90	575.90	575.90	575.90
Add: Premium Received	-	-	-	-
Sub-Total	575.90	575.90	575.90	575.90
<b>Profit &amp; Loss Account</b>				
Opening Balance	3,329.97	2,324.73	1,567.16	812.91
Add: Transferred from Profit & Loss Account	312.75	1,206.27	1,142.22	871.23
Less: Final Dividend (FY-2020-21) [Refer note-2.1]	-	-	-	116.98
Less: Final Dividend (FY-2021-22) [Refer note-2.2]	-	-	259.66	-
Less: Interim Dividend (FY-2022-23) [Refer note-2.3]	-	-	125.00	-
Less: Final Dividend (FY- 2022-23) [Refer note-2.4]	-	201.03	-	-
Less: Issue of bonus shares	430.62	-	-	-
Sub-Total	3,212.09	3,329.97	2,324.73	1,567.16
<b>Total</b>	<b>3,787.99</b>	<b>3,905.86</b>	<b>2,900.62</b>	<b>2,143.06</b>

2.1 Pursuant to the Board Resolution as on 07.07.2021 and the Shareholders' Resolution as on 06.08.2021, have declared Final Dividend of Rs.3.80/- per equity share has been declared for the Financial Year ended 31st March, 2021. The said proposal has resulted in a Cash Outflow of Rs. 1,16,97,661/- [in absolute term].

2.2 Pursuant to the Board Resolution as on 19.07.2022 and the Shareholders' Resolution as on 17.08.2022, have declared Final Dividend of Rs.8.4418/- per equity share for the Financial Year ended 31st March, 2022. The said proposal has resulted in a Cash Outflow of Rs. 2,59,66,047/- [in absolute term].

2.3 The Board of Directors, in its meetings held on 23.03.2023 have declared and paid first Interim Dividend of 40.64% i.e Rs. 4.0639/- per equity share, for the Financial Year ended 31st March, 2023. The said proposal has resulted in a Cash Outflow of Rs. 1,25,00,000/- [in absolute term].

2.4 Pursuant to the Board Resolution as on 21.07.2023 and the Shareholders' Resolution as on 02.08.2023, have declared Final Dividend of Rs. 6.5358/- per equity share for the Financial Year ended 31st March, 2023. The said proposal has resulted in a Cash Outflow of Rs. 2,01,03,287/- . [in absolute term]

(Rs. In Lakhs)

**3 Restated Statement of Long Term Borrowings**

	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Secured (Term Loan)</b>				
<b>From Bank</b>				
(i) Axis Bank - Term Loan A/c No. 5071 (Refer note no. 3.1)	-	-	160.00	160.00
(ii) Axis Bank - Term Loan A/c No. 9624 (Refer note no. 3.2)	217.20	238.80	275.67	12.43
(iii) Axis Bank - Term Loan A/c No. 8762 (Refer note no. 3.3)	27.85	33.40	55.60	77.80
(iv) Axis Bank - Term Loan A/c No. 3095 (Refer note no. 3.4)	543.50	413.98	-	-
(v) Axis Bank - Foreign Currency Term Loan A/c No. 7674 (Refer note no. 3.5)	-	-	111.06	193.80
<b>Less : Current Maturities of above loans</b>	231.68	190.65	178.23	61.49
<b>Total</b>	<b>556.88</b>	<b>495.53</b>	<b>424.11</b>	<b>382.54</b>

**Details of Security, Rate of Interest, EMI (Amount & Nos.) with respect to long term Borrowing:**

Note No.	Particulars	Secured Against	Rate of Interest	Monthly Installment	No of Installment
3.1	Axis Bank - Term Loan A/c No. 5071	100% credit gurantee by NCGTC apart from the below provided securities.	Repo rate + 2.8%	4.44 Lacs	35
3.2	Axis Bank - Term Loan A/c No. 9624	Primary: Hypothecation charge on entire movable fixed assets incl. P&M, F&F etc. both present & future.*	Repo rate + 2.00%*	7.20 Lacs	53
3.3	Axis Bank - Term Loan A/c No. 8762		Repo rate + 2.00%*	1.85 Lacs	53
3.4	Axis Bank - Term Loan A/c No. 3095		Repo rate + 2.00%*	10.26 Lacs	77
3.5	Axis Bank - Foreign Currency Term Loan A/c No. 7674		LIBOR rate + 2.25%	4.94 Lacs	50

\* As per latest terms of sanctioned, dated, 27th December 2023.

\*\* Apart from above, the banking facility of term loan obtained from Axis Bank are also collaterally secured against EM/RM on industrial property at 84-A/1 & B/1, PO, Khakharia, Taluka Savli, Vadodara and by the personal guarantee of the Director of the company.

		(Rs. In Lakhs)			
		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>4 Restated Statement of Long-Term Provisions</b>					
Provision for employee benefits :					
-Provision for Gratuity (Refer note No. 34)		63.40	51.30	45.95	27.63
Total		<b>63.40</b>	<b>51.30</b>	<b>45.95</b>	<b>27.63</b>
<b>5 Restated Statement of Other Long-Term Liabilities</b>					
Others Payable		10.54	8.94	2.47	2.07
Total		<b>10.54</b>	<b>8.94</b>	<b>2.47</b>	<b>2.07</b>
<b>6 Restated Statement of Short Term Borrowings</b>					
<b>Secured</b>					
From Banks (Repayable on Demand)					
(i) Cash Credit		468.41	21.46	175.26	300.40
(Refer point "6.1")					
Current Maturities of Long Term borrowings (Refer point "6.2")		231.68	190.65	178.23	61.49
<b>Unsecured</b>					
From Directors					
(i) Keyur Shah		-	-	-	0.07
(Loan from Directors are interest free)					
Total		<b>700.09</b>	<b>212.11</b>	<b>353.49</b>	<b>361.95</b>

6.1 The Bank Facilities of Working Capital such as Cash Credit, Working Capital Demand Loan, Letters of Credit and Bank Guarantee are obtained from Axis Bank and are secured by hypothecation of Company's entire current assets incl. Stocks of Raw Materials, Semi-Finished and Finished Goods, Consumable Stores and Spares, Book Debts as a primary security as well as by the personal guarantee of the directors [however, till 27th Novemmer, 2023, there were personal gurantee by two directors] of the Company. Rate of Interest therein is Repo Rate + 2.20 % i.e. 8.50%. Collateral Security to these limits is EM/RM on industrial property at 84-A/1 & B/1, PO, Khakharia, Taluka Savli, Vadodara.

6.2 Please refer to note no. 3.1 to 3.5 for details of Details of Security, Rate of Interest, EMI (Amount & Nos.) with respect to long term Borrowing.

		(Rs. In Lakhs)			
		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>7 Restated Statement of Trade Payables</b>					
Total outstanding dues of Micro Enterprises and Small Enterprises		102.63	65.38	87.66	79.77
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,291.78	1,510.79	1,344.61	692.74
Total		<b>1,394.41</b>	<b>1,576.17</b>	<b>1,432.27</b>	<b>772.51</b>

Ageing for trade payables outstanding is as follows:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 Years	More than 3 Years	
<b>As at 30 June 2024</b>						
MSME	93.88	8.76	-	-	-	102.63
Others	745.12	490.26	56.20	0.04	0.16	1,291.78
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	<b>838.99</b>	<b>499.02</b>	<b>56.20</b>	<b>0.04</b>	<b>0.16</b>	<b>1,394.41</b>
<b>As at 31 March 2024</b>						
MSME	62.27	3.01	0.10	-	-	65.38
Others	976.76	507.56	26.28	0.19	-	1,510.79
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	<b>1,039.03</b>	<b>510.57</b>	<b>26.38</b>	<b>0.19</b>	<b>-</b>	<b>1,576.17</b>
<b>As at 31 March 2023</b>						
MSME	76.08	11.58	-	-	-	87.66
Others	983.64	360.41	0.54	0.02	-	1,344.61
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	<b>1,059.72</b>	<b>372.00</b>	<b>0.54</b>	<b>0.02</b>	<b>-</b>	<b>1,432.27</b>
<b>As at 31st March 2022</b>						
MSME	-	79.77	-	-	-	79.77
Others	-	692.74	-	-	-	692.74
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	<b>-</b>	<b>772.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>772.51</b>

		(Rs. In Lakhs)			
		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>8</b>	<b>Restated Statement of Other Current Liabilities</b>				
	Unpaid dividends	-	-	25.70	-
	Others Payable				
	(i) Advance from Customers	215.11	87.99	27.69	21.99
	(ii) Statutory Dues Payable	96.70	97.82	149.17	87.49
	(iii) Salary, Wages & Incentive payable	155.17	165.91	126.96	27.31
	(iv) Sundry Creditors for Capital Goods	58.90	37.61	3.14	3.05
	(v) Other payable	138.09	34.58	58.93	93.23
	<b>Total</b>	<b>663.98</b>	<b>423.90</b>	<b>391.59</b>	<b>233.07</b>
<b>9</b>	<b>Restated Statement of Short Term Provision</b>				
	Provision for Employee Benefits				
	(i) Provision for Bonus	8.05	8.56	7.00	3.28
	(ii) Provision for gratuity (Refer note No. 34)	9.60	5.09	4.06	2.75
	(iii) Provision for compensated absences	12.44	5.87	10.60	7.61
	Other Provision				
	(i) Provision for Income Tax (net of taxes paid in advance)	108.46	38.37	34.83	71.77
	(ii) Provision for CSR	30.32	-	-	-
	<b>Total</b>	<b>168.87</b>	<b>57.89</b>	<b>56.50</b>	<b>85.41</b>
<b>11</b>	<b>Restated Statement of Deferred Tax Asset (Net)</b>				
	Deferred Tax Liability				
	(i) Related to PPE	-	-	-	-
	Deferred Tax Assets				
	(i) Related to PPE	9.74	9.19	1.13	1.99
	(ii) Related to 43B Payments	21.50	15.67	17.65	11.06
	<b>Total</b>	<b>31.25</b>	<b>24.86</b>	<b>18.78</b>	<b>13.05</b>
<b>12</b>	<b>Restated Statement of Long-Term Loans and Advances</b>				
	Capital Advances				
	<b>Total</b>	<b>327.89</b>	<b>402.58</b>	<b>90.00</b>	<b>-</b>
<b>13</b>	<b>Restated Statement of Other non-current assets</b>				
	Unsecured, considered good				
	Security Deposits	60.25	60.47	24.26	15.97
	Other Bank Balances				
	(i) Margin Money Deposits	0.23	0.23	1.75	1.68
	(ii) Fixed Deposit against Bank Guarantee	11.56	11.39	10.72	10.09
	(iii) Fixed Deposits with Bank (Maturity More Than 12 Months)	4.12	304.07	100.05	-
	<i>(Refer Note No: 3.1 to 3.5 relating to terms &amp; condition of sanction)</i>				
	<b>Total</b>	<b>76.16</b>	<b>376.16</b>	<b>136.78</b>	<b>27.74</b>
<b>14</b>	<b>Restated Statement of Inventories</b>				
	<i>(At lower of cost and net realizable value)</i>				
	(i) Raw Materials	1,117.01	1,299.84	1,124.42	563.90
	(ii) Work-in-Progress	366.57	409.20	396.87	186.81
	(iii) Finished Goods	127.24	189.80	51.78	181.04
	(iv) Stock-in-Transit ( Domestic and High-Seas )	641.19	228.51	67.96	307.42
	<b>Total</b>	<b>2,252.01</b>	<b>2,127.34</b>	<b>1,641.03</b>	<b>1,239.18</b>
<b>15</b>	<b>Restated Statement of Trade Receivable</b>				
	Trade Receivable (Refer Note No 15.1)	1,692.94	1,252.32	1,644.39	945.31
	<b>Total</b>	<b>1,692.94</b>	<b>1,252.32</b>	<b>1,644.39</b>	<b>945.31</b>

		(Rs. In Lakhs)			
		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>16</b>	<b>Restated Statement of Cash and Bank Balance</b>				
	<b>Cash &amp; Cash Equivalent</b>				
	Balance with Bank	29.26	124.79	17.56	205.16
	Cheques, drafts on hand;	14.07	32.78	196.22	-
	Cash on hand	3.53	0.06	0.80	0.31
	Earmarked balances with banks (of Unpaid Dividend)	-	-	25.70	-
	Fixed Deposit with Bank (Maturity within 3 Months)-Held as Margin Money	-	106.25	-	-
	<b>Total</b>	<b>46.86</b>	<b>263.88</b>	<b>240.28</b>	<b>205.47</b>
	<b>Other Bank Balances</b>				
	(i) Fixed Deposits with Bank ( Maturity More Than 3 Months )	300.00	-	360.69	343.38
	(ii) Fixed Deposits with Bank - Held as Margin Money	107.89	-	-	-
	<i>(Refer Note No: 3.1 to 3.5 relating to terms &amp; condition of sanction)</i>				
	<b>Total</b>	<b>454.75</b>	<b>263.88</b>	<b>600.97</b>	<b>548.84</b>
<b>17</b>	<b>Restated Statement of Short Term Loans &amp; Advances</b>				
	Unsecured, considered good				
	Advances to Related Parties	27.87	28.12	-	-
	Recoverable from Related Parties	-	10.12	-	-
	Advance to Employees	31.81	5.97	1.18	1.06
	Advance to Suppliers	216.07	69.29	66.19	46.84
	Prepaid Expenses	80.93	107.94	29.78	16.84
	Deferred Premium on Forward Contracts	-	4.53	1.82	-
	Balance with Revenue Authorities	23.72	21.96	11.35	9.12
	<b>Total</b>	<b>380.39</b>	<b>247.92</b>	<b>110.32</b>	<b>73.87</b>
<b>18</b>	<b>Restated Statement of Revenue From Operations</b>				
	Sale of Products				
	(i) Domestic Sales	2,630.39	10,379.63	8,884.16	6,305.38
	(ii) Direct Export Sales	127.60	437.08	133.04	185.84
	Other Operating Income				
	(i) Export Incentives and Duty Drawbacks	3.18	10.16	3.64	4.54
	(ii) Scrap Sale	1.71	21.21	15.36	9.94
	<b>Total</b>	<b>2,762.88</b>	<b>10,848.08</b>	<b>9,036.21</b>	<b>6,505.71</b>
<b>19</b>	<b>Restated Statement of Other Income</b>				
	Interest Income	7.90	19.28	13.23	12.92
	Net Gain/(Loss) on Foreign Currency Transactions	-	40.20	-	14.70
	Other non-operating Income				
	(i) MDA Subsidy Received	-	-	9.00	-
	(ii) Insurance Claim Received	-	0.48	1.58	2.21
	(iii) Gain/(Loss) on Sale of Assets	6.61	3.57	-	-
	(iv) Miscellaneous Income	0.45	0.65	1.14	2.36
	<b>Total</b>	<b>14.96</b>	<b>64.17</b>	<b>24.95</b>	<b>32.19</b>
<b>20</b>	<b>Restated Statement of Cost of Material Consumed</b>				
	Opening Stock & Stock in transit	1,528.34	1,192.38	871.32	448.32
	Add: Purchases During The Year	1,645.53	6,506.08	5,443.67	4,221.69
	Less: Closing Stock	1,117.01	1,299.84	1,124.42	563.90
	Less: Stock in Transit (Domestic and High seas)	641.19	228.51	67.96	307.42
	<b>Total</b>	<b>1,415.67</b>	<b>6,170.11</b>	<b>5,122.61</b>	<b>3,798.69</b>
	<b>Raw Materials</b>				
	Opening Stock of Raw Materials	1,494.07	1,160.45	852.55	438.33
	Add : Domestic Purchases	493.07	2,073.23	1,377.90	1,347.11
	Add : Import Purchases (incl. duty)	1,080.60	4,061.97	3,755.95	2,622.79
	Less : Closing Stock of Raw Materials	3,067.74	7,295.65	5,986.41	4,408.23
	Less : Closing Stock in Transit ( Domestic and High-seas )	1,073.71	1,265.56	1,092.49	545.13
	Raw Materials Consumed	641.19	228.51	67.96	307.42
		1,352.84	5,801.58	4,825.96	3,555.68
	<b>Packing Materials</b>				
	Opening Stock of Packing Materials	16.28	22.38	11.98	4.97
	Add : Packing Material Purchases	52.51	310.17	269.17	229.24
	Less : Closing Stock of Packing Materials	68.79	332.56	281.15	234.21
	Packing Materials Consumed	21.14	16.28	22.38	11.98
		47.65	316.28	258.77	222.23



		(Rs. In Lakhs)			
		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Consumables</b>					
	Opening Stock of Consumables	17.99	9.55	6.79	5.02
	Add : Consumables Purchased	19.35	60.70	40.64	22.55
		37.34	70.25	47.43	27.57
	Less : Closing Stock of Consumables	22.16	17.99	9.55	6.79
	Consumable Materials Consumed	15.18	52.26	37.88	20.78
<b>Material Consumption</b>					
	Imported (incl Customs Duty)	1,202.82	3,825.96	3,464.84	2,123.02
	Indigenous	212.85	2,344.15	1,657.77	1,675.67
	<b>Total</b>	<b>1,415.67</b>	<b>6,170.11</b>	<b>5,122.61</b>	<b>3,798.69</b>
<b>21 Restated Statement of Changes in inventory of Finished Goods &amp; Work-In-Progress</b>					
	<b>Opening Stocks</b>				
	(i) Finished Goods	189.80	51.78	181.04	107.08
	(ii) Work-in-Progress	409.20	396.87	186.81	188.17
	<b>Closing Stocks</b>				
	(i) Finished Goods	127.24	189.80	51.78	181.04
	(ii) Work-in-Progress	366.57	409.20	396.87	186.81
	<b>Total</b>	<b>105.19</b>	<b>(150.35)</b>	<b>(80.80)</b>	<b>(72.60)</b>
<b>22 Restated Statement of Employee Benefit Expense</b>					
	Salaries and wages	221.69	950.67	720.81	414.47
	Director Remuneration	22.56	147.17	198.80	94.24
	Contribution to Provident and other funds	27.36	50.08	57.37	38.19
	Staff Welfare Expense	10.68	40.80	42.26	18.29
	<b>Total</b>	<b>282.29</b>	<b>1,188.72</b>	<b>1,019.24</b>	<b>565.19</b>
<b>23 Restated Statement of Finance Charges</b>					
	<b>Interest Expense</b>				
	(i) Borrowings	12.27	54.31	45.23	25.77
	(ii) Other	0.16	8.72	0.86	1.42
	Other borrowing costs	34.50	143.95	68.33	76.43
	<b>Total</b>	<b>46.92</b>	<b>206.99</b>	<b>114.42</b>	<b>103.62</b>
<b>24 Restated Statement of Depreciation &amp; Amortisation</b>					
	Depreciation Expense	59.69	222.54	202.82	138.05
	<b>Total</b>	<b>59.69</b>	<b>222.54</b>	<b>202.82</b>	<b>138.05</b>
<b>25 Restated Statement of Other Expenses</b>					
	<b>Direct Expenses</b>				
	(i) Power & Fuel	12.73	38.93	35.33	24.30
	(ii) Job Work Charges	9.87	37.42	59.52	29.17
	(iii) Repairs to Machinery	12.86	24.23	5.76	24.58
	(iv) Testing Charges	14.13	110.99	21.86	42.86
	(v) Factory Water Charges	0.54	2.90	3.67	3.31
	(vi) Freight and Clearing Charges-Inward	21.18	166.77	162.57	160.08
	<b>Sub-Total</b>	<b>71.31</b>	<b>381.24</b>	<b>288.70</b>	<b>284.29</b>

(Rs. In Lakhs)

	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Administrative &amp; Other Expenses</b>				
(i) Computer Expense	2.46	12.73	11.35	4.47
(ii) Contractual Deduction / Sundry Balances Written Off (Net)	-	3.79	8.70	25.25
(iii) Gardening Expense	-	15.95	8.83	1.46
(iv) Insurance Expense	14.77	43.70	25.02	28.75
(v) Professional Fees & Legal Expense	46.31	124.32	112.82	89.65
(vi) Payment to Auditor (refer below note 25.1)	5.50	4.00	3.00	3.00
(vii) Membership Fees	1.39	23.13	5.89	3.95
(viii) Office Expenses	11.33	35.55	17.19	12.82
(ix) Printing & Stationery Expense	2.47	9.17	8.07	4.02
(x) Rent, Rates & Taxes Expense excluding taxes on income	10.56	31.78	16.05	16.49
(xi) Repairs & Maintenance (Others)	3.32	9.01	5.06	5.44
(xii) Security Expense	14.48	45.99	32.41	21.01
(xiii) Travelling, Conveyance & Vehicle Expense	43.63	204.63	145.46	66.50
(xiv) Corporate Social Responsibility Expense (refer note 28)	30.32	23.87	14.72	7.92
(xv) Net Loss on Foreign Currency Transactions	20.70	-	12.97	-
(xvi) Other Expenses	6.23	55.45	28.61	15.42
Sub-Total	<b>213.47</b>	<b>643.07</b>	<b>456.15</b>	<b>306.14</b>
<b>Research &amp; Development Exp</b>				
(i) Purchase RM (R&D)	-	0.74	41.41	-
(ii) Professional fees (R&D)	4.20	32.11	28.19	-
(iii) Salary R&D	10.10	28.00	-	-
(iv) Other R&D Expenses	0.51	13.37	-	-
Sub-Total	<b>14.81</b>	<b>74.22</b>	<b>69.60</b>	<b>-</b>
<b>Selling &amp; Distribution Expenses</b>				
(i) Advertisement Expense	3.41	18.10	11.50	4.94
(ii) Exhibition Expense	40.69	37.10	33.33	12.32
(iii) Sales Commission	0.73	21.18	19.12	9.15
(iv) Sales Promotion & Selling Expense	35.18	17.72	24.93	41.31
(v) Travelling Expense - Sales	26.31	180.42	86.64	42.07
(vi) Other Selling Expenses	2.35	25.15	7.47	2.90
(vii) Professional Fees - Marketing	15.16	189.03	32.83	18.71
(viii) Freight outward	13.82	37.28	29.15	41.44
Sub-Total	<b>137.65</b>	<b>525.99</b>	<b>244.98</b>	<b>172.85</b>
Total	<b>437.25</b>	<b>1,624.52</b>	<b>1,059.44</b>	<b>763.28</b>
<b>25.1 Payment to Auditor</b>				
(i) As Statutory Auditor	0.75	3.00	2.00	2.00
(ii) As Tax Auditor/ Taxation Matter	4.75	0.25	0.25	0.25
(iii) In other Capacity	-	0.75	0.75	0.75
	<b>5.50</b>	<b>4.00</b>	<b>3.00</b>	<b>3.00</b>

**26 Restated Statement of Earning Per Share (EPS)**

No.	Particulars	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
(i)	Net Profit after Tax as per Statement of Profit & Loss attributable to Equity Shareholder (INR in Lakhs)	312.75	1,206.27	1,142.22	871.23
(ii)	Weighted Average number of Equity shares used as denominator for calculating EPS (In Nos)	2,21,46,249	2,21,46,249	2,21,46,249	2,21,46,249
(iii)	Basic Earning per share (In INR)	1.41	5.45	5.16	3.93
(iv)	Diluted Earning per share (In INR)	1.41	5.45	5.16	3.93
(v)	Face Value per Equity share (In INR)	5	5	5	5

As per AS-20, if the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares. Pursuant to a shareholder resolution dated April 19, 2024 & dated 08th July 2024, the Company has issued Equity Shares through bonus issue in the ratio of 7:5 & 1:2 respectively. In addition, pursuant to the shareholder's resolution dated July 08, 2024 the company has also splitted its par value of Rs. 10 per share to Rs. 5 per share and accordingly per share have been adjusted in the financial statements for all the earlier periods presented in the restated financial statements.

## 27 Restated Statement of Contingent Liabilities And Commitments

(Rs. In Lakhs)

Particulars	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Contingent Liabilities</b>				
Claims against the Company not acknowledged as debt	-	-	-	-
Guarantees	-	-	-	-
Other Moneys for which Company is contingently liable	-	-	-	-
- Sales Tax Demand for F.Y 2015-16*	4.76	4.76	8.40	8.40
- CST Demand for F.Y 2015-16 & 2017-18*	4.22	4.22	17.25	17.38
*[Pre-Deposit Rs. 2.59 Lakhs]				
- Excise Demand for F.Y 2016-17, 2017-18	-	-	13.23	13.02
- Labour Court Case	-	-	-	3.19
- GST Litigation for period July 2017 to 2022 [Pre Deposit-Rs. 4.14 Lakhs]	220.95	220.95	-	-
	229.93	229.93	38.88	41.98
<b>Capital Commitments</b>	82.43	272.57	202.03	38.36
Total	312.36	502.50	240.91	80.34

## 28 Restated Statement of Corporate Social Responsibility

(Rs. In Lakhs)

No.	Particulars	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
(i)	Gross Amount Required to be spent by the Company during the year (as per the provisions of Sec. 135 of the Companies Act, 2013 read with rules thereon)	30.32	22.29	14.62	7.86
(ii)	Amount of Expenditure Incurred [Excluding Provision for CSR]	-	23.87	14.72	7.92
(iii)	Shortfall, if any, at the end of the year	-	-	-	-
(iv)	Total of Previous Years Shortfall	-	-	-	-
(v)	Reason for Shortfall	NA	NA	NA	NA
(vi)	Details of Related Party Transactions in CSR	-	-	-	-
(vii)	Provision Made for CSR and Movements therein	Refer Note 28.4	Refer Note 28.3	Refer Note 28.2	Refer Note 28.1

## Nature of CSR Activities

28.1 The Company has spent a sum of Rs. 7.92 Lacs through expenditure incurred for Promoting Health Care and Education and contributions made to registered Trusts inter-alia involved in activities specified in Schedule VII of the Companies Act, 2013.

28.2 The Company has spent a sum of Rs. 14.72 Lacs through expenditure incurred for Promoting Health Care and Education, Empowering Women & contributions made to Registered Trusts inter-alia involved in activities specified in Schedule VII of the Companies Act, 2013.

28.3 The Company has spent a sum of Rs. 23.87 Lacs through expenditure incurred for Promoting Health Care and Education, Ensuring Environmental Sustainability & contributions made to Registered Trusts inter-alia involved in activities specified in Schedule VII of the Companies Act, 2013.

28.4 The Company has not yet spent an amount from CSR obligation towards CSR activity till 30th June 2024. However the company will fulfill its obligation towards CSR on or before 31st March 2025.

(Rs. In Lakhs)

Particulars	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
Balance at the beginning of the year/period	-	-	-	-
Provision made during year/period	30.32	-	-	-
Provision utilised during year/period	-	-	-	-
Balance at the end of the year/period	30.32	-	-	-

## 29 Restated Statement of C.I. F. Value Of Imports

(Rs. In Lakhs)

Particulars	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
Raw Materials	1,080.60	4,061.97	3,755.95	2,622.79
Total	1,080.60	4,061.97	3,755.95	2,622.79

## 30 Restated Statement of Foreign Currency

(Rs. In Lakhs)

Particulars	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Expenditure in Foreign Currency</b>				
(i) Consultancy	36.59	134.49	12.35	11.12
(ii) Commission	-	0.74	-	3.90
(iii) Exhibition Expense	-	36.64	13.58	9.94
(iv) Advertisement Expense	-	2.50	3.23	-
(v) Freight Export	-	0.70	-	-
(vi) Travelling	6.33	66.75	-	-
Total	42.93	241.82	29.16	24.95

		(Rs. In Lakhs)			
Earnings in Foreign Currency		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
(i)	FOB Value of Exports	127.60	429.43	124.95	186.15
	Total	<b>127.60</b>	<b>429.43</b>	<b>124.95</b>	<b>186.15</b>
Particulars of Unhedged Foreign Currency Exposure					
(i)	Sundry Debtors	32.42	23.19	12.23	7.11
(ii)	Sundry Creditors	1,027.19	492.45	706.24	357.89
(iii)	Advances for Import of Goods	24.61	2.53	-	10.14
	Total	<b>1,084.23</b>	<b>518.16</b>	<b>718.47</b>	<b>375.14</b>

**31 Restated Statement of Derivative Instrument**

(Rs. In Lakhs)

		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
Outstanding Forward Contracts (Hedge against Import)					
(i)	CHF	-	6.19	3.11	1.88
(ii)	USD	-	-	-	0.39
	Total	<b>-</b>	<b>6.19</b>	<b>3.11</b>	<b>2.27</b>

**32 Restated Statement of Disclosure On Lease**

The Company has taken certain premises under operating lease or leave and license agreement. The lease terms in respect of such premises is on basis on individual agreement with respective owners.

		(Rs. In Lakhs)			
Particulars		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
Lease Payment recognized in the statement of profit and loss		8.17	15.43	12.00	12.00
	Total	<b>8.17</b>	<b>15.43</b>	<b>12.00</b>	<b>12.00</b>

**33 Restated Statement of Research & Development Expense**

The company carries on in-house Research & Development (R&D) for development of new product range as well as upgradation / increasing efficiency of existing product range. The company has also obtained approval of its R&D Unit(s) from Department of Scientific and Industrial Research (DSIR). Expenses directly attributable to R&D activity have been presented under the head "R&D Expenses" under Note 25 Other Expenses to the extent identifiable. The Company would also have incurred other costs in terms of portions of common expenditures and overheads toward the aforesaid Research & Development activities during the year/period ended. However, the same have not been separately segregated.

**34 Restated Statement of Post Employment Benefits**

Provident Fund and ESI dues paid during the year being defined contributions have been charged to the Profit and Loss Account in the respective year/period in which the same has been incurred.

The Company's policy of Leave Encashment is a short-term compensation plan. Accordingly, amount of (Till 30th June 2024) Rs. 7,59,182/- (F.Y. 2023-24) Rs. 2,42,544/- (F.Y. 2022-23), 7,17,473/- & (F.Y. 2021-22), 3,28,023/- towards Leave Encashment during the year has been debited to P&L account and total of (Till 30th June 2024) Rs. 12,44,061 (F.Y. 2023-24) Rs. 5,87,151/- (F.Y. 2022-23) - 10,60,035/- & (F.Y. 2021-22) - 7,61,298/- is appearing as liability in the financial statements. [Note: All figures mentioned here is in absolute terms]

The Company has defined benefit Gratuity plan. The Company has availed the services of actuarial valuation for creating a provision towards Gratuity and accordingly the amount towards Gratuity is provided for as per the actuarial valuation report. The company has also created a plan asset by making contribution towards Gratuity Fund maintained with Life Insurance Corporation of India to the tune of (Till 30th June 2024) Rs. 11,87,592/-, (F.Y. 2023-24) Rs. 11,02,992/- (F.Y. 2022-23) Rs. 11,02,992/- & (F.Y. 2021-22) Rs. 10,72,367/- which has been shown as a deduction from the Present Value of Gratuity Obligations as per the Actuarial Valuation Report. [Note: All figures mentioned here is in absolute terms]

**GRATUITY**

(Rs. In Lakhs)

Change in Present Value of Defined Benefit Obligation		30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Present Value of Obligations</b>					
	Present Value of Obligations as at the beginning of the Year	68.27	61.04	41.10	24.86
	Interest Cost	1.24	4.58	2.98	1.80
	Current Cost	2.96	10.79	9.45	6.65
	Benefits Paid	-	(1.76)	(0.94)	(1.05)
	Obligations arising because of previous years accounted as prior period expenditure	-	-	-	-
	Actuarial (gains) / losses on obligation	12.40	(6.39)	8.45	8.84
	<b>Present Value of Obligations as at the end of the Year/Period</b>	<b>84.87</b>	<b>68.27</b>	<b>61.04</b>	<b>41.10</b>

(Rs. In Lakhs)

	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>Change in Fair Value of Plan Assets</b>				
Fair Value of Plan Assets as at the beginning of the Year	11.88	11.03	10.72	9.77
Expected Return on Plan Assets	0.21	0.80	0.80	-
Contributions	-	-	-	0.95
Benefits Paid	-	-	(0.42)	-
Actuarial gains / (losses) on Plan Assets	-0.21	0.05	(0.08)	-
<b>Fair Value of Plan Assets as at the end of the Year/Period</b>	<b>11.88</b>	<b>11.88</b>	<b>11.03</b>	<b>10.72</b>
<b>Defined Benefit Obligation as recognized in Balance Sheet</b>				
Present Value of Obligations as at the Year end	84.87	68.27	61.04	41.10
Unrecognised Past Service Cost	-	-	-	-
Fair Value of Plan Assets as at the Year end	11.88	11.88	11.03	10.72
<b>Net (Asset) / Liability recognized in Balance Sheet</b>	<b>72.99</b>	<b>56.39</b>	<b>50.01</b>	<b>30.37</b>
<b>Net Gratuity Expenditure Recognized in P&amp;L Account</b>				
Current Service Cost	1.24	10.79	9.45	6.65
Interest Cost	2.96	4.58	2.98	1.80
Expected Return on Plan Assets	(0.21)	(0.80)	(0.80)	-
Net Actuarial (Gain) / Loss Recognized in the Year	12.61	(6.44)	8.53	8.84
<b>Net Expense Recognized in Statement of Profit and Loss</b>	<b>16.60</b>	<b>8.13</b>	<b>20.15</b>	<b>17.29</b>

35 Restated Statement of Capital-Work-in Progress (CWIP) aging schedule

(Rs. In Lakhs)

CWIP	Amount in CWIP for the period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	more than 3 years	
<b>Project In Progress</b>					
30th June 2024	949.72	25.00	-	-	974.72
2023-24	494.80	-	-	-	494.80
2022-23	-	-	-	-	-
2021-22	19.37	-	-	-	19.37
<b>Project temporarily suspended:</b>					
30th June 2024	-	-	-	-	-
2023-24	-	-	-	-	-
2022-23	-	-	-	-	-
2021-22	-	-	-	-	-

Note:- 35.1 There are no projects whose completion is over due or has exceeded its cost.

35.2 Borrowing cost capitalized is Rs. 10.09 Lakhs [till 30th June 2024], Rs. 13.01 Lakhs [FY-23-24], Rs. 4.21 Lakhs [FY-21-22].

36 Restated Statement of Intangible assets under development aging schedule:

(Rs. In Lakhs)

Intangible assets under development	Amount for the period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	more than 3 years	
30th June 2024	84.30	-	-	-	84.30
2023-24	13.50	-	-	-	13.50
2022-23	-	-	-	-	-
2021-22	-	-	-	-	-

37 Restated Statement of Summary of CC Statements Submitted to Bank of Quarterly returns compared with Books of account

(Rs. In Lakhs)

30th June 2024						
Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2024	Book Debt	1,698.15	1,692.94	5.21	0.31%	Not Material
Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2024	Inventory	1,576.18	2,252.01	-675.83	-30.01%	*

F.Y. 2023-24

(Rs. In Lakhs)

Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2023	Book Debt	1,221.72	1,221.72	-	0.00%	Not Material
30-09-2023	Book Debt	1,703.10	1,703.10	-0.00	0.00%	
31-12-2023	Book Debt	1,416.83	1,416.83	-	0.00%	
31-03-2024	Book Debt	1,258.08	1,252.32	5.76	0.46%	
Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2023	Inventory	1,548.56	1,566.19	-17.63	-1.13%	Not Material
30-09-2023	Inventory	1,856.57	1,884.37	-27.80	-1.48%	
31-12-2023	Inventory	2,072.93	2,192.91	-119.98	-5.47%	
31-03-2024	Inventory	1,901.08	2,127.34	-226.26	-10.64%	

F.Y. 2022-23

(Rs. In Lakhs)

Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2022	Book Debt	1,050.61	1,008.63	41.98	4.16%	Not material
30-09-2022	Book Debt	1,426.25	1,417.70	8.55	0.60%	
31-12-2022	Book Debt	1,362.38	1,363.52	-1.14	-0.08%	
31-03-2023	Book Debt	1,647.05	1,644.39	2.67	0.16%	
Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2022	Inventory	1,234.82	1,241.43	-6.60	-0.53%	Not material
30-09-2022	Inventory	1,299.38	1,305.36	-5.98	-0.46%	
31-12-2022	Inventory	1,450.68	1,470.07	-19.39	-1.32%	
31-03-2023	Inventory	1,528.85	1,641.03	-21.95	-1.34%	

F.Y. 2021-22

(Rs. In Lakhs)

Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2021	Book Debt	826.37	816.17	10.19	1.25%	Not material
30-09-2021	Book Debt	931.08	847.83	83.25	9.82%	
31-12-2021	Book Debt	812.33	753.95	58.38	7.74%	
31-03-2022	Book Debt	957.30	945.31	11.99	1.27%	
Quarter	Particular of Security	Balance As per Bank	Balance As per Books	Difference	Difference %	Reasons
30-06-2021	Inventory	1,216.36	1,214.65	1.71	0.14%	Not Material
30-09-2021	Inventory	1,128.46	1,150.50	-22.05	-1.92%	
31-12-2021	Inventory	1,087.17	1,089.50	-2.33	-0.21%	
31-03-2022	Inventory	916.42	1,239.18	-322.75	-26.05%	

\*The said variance is on account of value of stock in transit &amp; certain other stores &amp; spares related items &amp; valuation of inventories.

**38 Restated Statement of Impairment of Assets**

As a tool to measure to the value of PPE, the Company has considered the technical Valuation carried out by expert. In terms of the same and further in absence of any indications, external or internal, as to any probable impairment of assets, no provision has been made for same during year under report.

39 The restated financial statements have been prepared after making such regroupings and adjustments, considered appropriate to comply with the regulatory requirements. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

**40 Restated Statement of Related Parties Disclosures**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(i) As per related parties where control exists and related parties with whom transactions have taken place and relationships.

Sr. No	Relationship	Name of the Related Parties
1	Key Management Personnel/Promoter	Keyur Shah - Managing Director Twinkle Shah - Director [Untill 20th July 2023]
2	Relative of KMP/Promoter	Twinkle Shah [w.e.f 21st July 2023] Bhavin Shah
3	Director	Oliver Haerdi -Director [Till 25th March 2024]
4	Enterprise over which KMP's / Relatives exercise significant influence	Incredible Garden Art Green Electricals Pvt. Ltd. Narayan Industrial Corporation Yash Swisstech Private Limited (Formerly known as Incredible Landscapes Pvt Ltd.)*
5	Enterprises having Substantial Interest in the Company	MGC Moser Glaser AG [Till 16th April 2024] Pffifner International AG* [Till 16th April 2024]
6	Enterprises under Common Control as the Company	Pffifner Instrument Transformers Private Ltd [Till 13th June 2024]

(\*There have been no related party transactions with these two enterprises during quarter ended 30th June 2024, FY ended 2024, 2023, 2022)

## (ii) Related Party Transaction

(Rs. In Lakhs)

Particulars	30-Jun-24	2023-24	2022-23	2021-22
<b>KMP/Relative of Promoter</b>				
<b>Directors Remuneration &amp; Perquisites</b>				
Keyur Shah	36.33	147.17	198.80	98.10
<b>Unsecured Loan (Net) - Repaid</b>				
Keyur Shah	-	-	0.07	13.03
Twinkle Shah	-	-	-	0.75
<b>Office Rent &amp; Car Lease Rent</b>				
Keyur Shah	5.37	6.00	6.00	6.00
Twinkle Shah	-	6.00	6.00	6.00
<b>Personal Guarantee Commission</b>				
Keyur Shah	13.83	34.46	17.89	14.05
Twinkle Shah	-	22.66	17.89	14.05
<b>Professional Fees</b>				
Twinkle Shah	5.60	22.34	22.40	-
<b>Dividend</b>				
Keyur Shah	-	141.13	270.05	82.12
Twinkle Shah	-	5.88	11.26	3.42
Bhavin Shah	-	0.33	0.63	0.19
<b>Sales / Transfer (net of borrowing) of Assets</b>				
Keyur Shah	-	32.78	-	-
<b>Enterprise over which KMP's / Relatives exercise significant influence</b>				
<b>Purchases/Office Expense/Sales Promotion Expenses</b>				
Incredible Garden Art	1.27	1.03	0.06	0.93
Green Electricals Pvt. Ltd.	-	1.20	1.73	1.39
Narayan Industrial Corporation	-	11.64	-	-
<b>PPE (incl CWIP)</b>				
Incredible Garden Art	-	-	9.15	-
Green Electricals Pvt. Ltd.	-	-	-	3.72
<b>Repairs and Maintenance</b>				
Incredible Garden Art	-	11.51	5.50	-
Green Electricals Pvt. Ltd.	0.22	1.88	2.17	0.35
<b>Sales</b>				
Incredible Garden Art	-	2.16	5.56	-
Green Electricals Pvt. Ltd.	-	-	-	-
<b>Staff Welfare &amp; Training Expenses</b>				
Incredible Garden Art	-	1.55	-	-
Green Electricals Pvt. Ltd.	-	-	-	-
<b>Advance Provided for Tendering Purpose</b>				
Green Electricals Pvt. Ltd.	-	28.12	-	-
<b>Enterprises having Substantial Interest in the Company</b>				
<b>Purchases including Goods in transit</b>				
MGC Moser Glaser AG	144.59	3,382.77	2,814.27	1,934.04
<b>Dividend</b>				
MGC Moser Glaser AG	-	51.67	98.86	30.06
<b>Sales</b>				
MGC Moser Glaser AG	-	0.31	-	4.48
<b>Recovery of Common Expenses</b>				
MGC Moser Glaser AG	-	0.79	1.21	-

<b>Enterprises under Common Control as the Company</b>				
<b>PPE</b>				
Pfiffner Instrument Transformers Private Ltd	-	1.20	-	-
<b>Sales</b>				
Pfiffner Instrument Transformers Private Ltd	-	1.14	2.03	-
<b>Job Work Expenses</b>				
Pfiffner Instrument Transformers Private Ltd	-	32.48	-	-
<b>Testing &amp; Other Expenses</b>				
Pfiffner Instrument Transformers Private Ltd	-	41.30	-	31.78
<b>Recovery of Common Expenses</b>				
Pfiffner Instrument Transformers Private Ltd	-	-	17.56	0.42

## (iii) Closing Balance

(Rs. In Lakhs)

Particulars	30-Jun-24	2023-24	2022-23	2021-22
<b>KMP/Relative of Promoter</b>				
<b>Unsecured Loan</b>				
Keyur Shah	-	-	-	0.07
<b>Payable</b>				
Twinkle Shah	1.68	-	0.00	-
Keyur Shah	13.13	-	0.82	-
<b>Recoverable from Relative of KMP</b>				
Twinkle Shah	-	10.12	-	-
<b>Enterprise over which KMP's / Relatives exercise significant influence</b>				
<b>Purchases / Maintenance</b>				
Green Electricals Pvt. Ltd.	-	-	0.13	1.64
Incredible Garden Art	-	0.42	0.75	-
<b>Advance</b>				
Green Electricals	27.87	28.12	-	-
<b>Enterprises having Substantial Interest in the Company</b>				
<b>Purchases</b>				
MGC Moser Glaser AG	-	1,036.10	943.58	425.26
<b>Dividend Payable</b>				
MGC Moser Glaser AG	-	-	25.70	-
<b>Enterprises under Common Control as the Company</b>				
<b>Sales</b>				
Pfiffner Instrument Transformers Private Ltd	-	6.61	0.01	-

Related Party relationship is as identified by the Company and relied upon by the Auditor.

42 The Restated Financial Statement has been prepared in absolute numbers and then converted into Lakhs to meet the presentation requirement as per Companies Act, accordingly the variance on account of decimals rounding-off may exist.

43 The Company is primarily engaged in the business of manufacturing of high end transformer bushings, which in the context of Accounting Standard 17 on Segment Reporting on "Segment Reporting" constitutes a single reportable segment. The analysis of geographical segments is based on the areas in which operations are carry out is provided below:

(Rs. In Lakhs)

Nature of Expense	30-Jun-24		31-Mar-24		31-Mar-23		31-Mar-22	
	In India	Outside India	In India	Outside India	In India	Outside India	In India	Outside India
Revenue from rendering of Services	2,630.39	127.60	10,379.63	437.08	8,884.16	133.04	6,305.38	185.84
Carrying amount of segment assets	8,051.94	32.42	7,016.10	23.19	5,902.36	12.23	4,308.72	7.11



## 44 Disclosure related to Micro &amp; Small Enterprises:

Particulars	30-Jun-24	31-Mar-24	31-Mar-23	31-Mar-22
(a) the principal amount and the interest if any due thereon remaining unpaid to any supplier at the end of each accounting year	102.63	65.38	87.66	79.77
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises.	-	-	-	-

(Note: The above information has been compiled in respect of parties to the extent they could be identified as Micro & Small Enterprises on the basis of information available with the company regarding the status of registration of such vendors under the said act, as per the information received from them on requests made by the company. In addition, The company deals with the various micro and small enterprises on mutually accepted terms and conditions. Accordingly no interest is payable if the terms are adhered to by the company. Accordingly no interest has been paid or is due and no provision for the interest payable to such units is required or has been made under the Micro, Small & Medium Enterprises Development Act, 2006.)

## 45 Other Statutory Information

- i) The Company does not have any benami property, where any proceeding has been initiated or pending against the company for holding any benami property.
- ii) The Company do not have any transactions with companies struck off.
- iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the year/period ended.
- v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company do not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- viii) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- ix) The company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- x) The title deed of the immovable property are held in the name of company only.
- xi) Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

Signature of Notes No. 1 to 45

For Shah Mehta & Bakshi  
Chartered Accountants  
FRN: 103824W

For and on behalf of  
YASH HIGHVOLTAGE LIMITED  
CIN : U40109GJ2002PLC040833

Daxal Pandya  
Partner  
M. No.177345  
Date: 14-10-2024

Keyur Shah  
Managing Director  
DIN: 01064190  
Date: 14-10-2024

Twinkle Shah  
Director  
DIN: 03575362  
Date: 14-10-2024

Sumit Poddar  
CFO  
Date: 14-10-2024

Tushar Lakhmapurkar  
CS  
Date: 14-10-2024

Year	Particular	Tangible Assets							Intangible assets			Capital Work in Progress		
		Land	Factory Building	Plant, Machinery & Tools & Equipment	Furniture & Fixtures	Computer	Office Equipment	Vehicle*	R&D Plant & Machinery	Total of tangible asset	Software	Technical Knowhow	Total of Intangible assets	Total of Capital Work in Progress
As at 30th June 2024	<b>Gross Block</b>													
	Opening	399.48	948.55	1,089.50	155.79	82.53	75.74	92.22	9.70	2,853.51	26.61	59.17	85.78	494.80
	Deduction	-	-	-	-	-	-	17.68	-	17.68	-	-	-	-
	Addition	-	0.15	22.32	3.49	5.78	2.76	-	-	34.51	1.83	-	1.83	479.92
	Closing	399.48	948.70	1,111.82	159.28	88.31	78.50	74.54	9.70	2,870.34	28.44	59.17	87.61	974.72
	<b>Depreciation</b>													
	Opening	-	321.23	466.00	86.13	53.44	41.55	66.70	0.57	1,035.62	12.89	54.86	67.75	-
	Deduction/Disposal	-	-	-	-	-	-	15.04	-	15.04	-	-	-	-
	For the year	-	14.70	28.31	4.46	4.98	2.47	1.90	0.41	57.23	1.58	0.88	2.46	-
	Closing	-	335.94	494.31	90.59	58.42	44.02	53.56	0.98	1,077.81	14.46	55.74	70.20	-
	<b>Net Block</b>													
	Opening	399.48	627.32	623.50	69.66	29.09	34.19	25.53	9.13	1,817.89	13.72	4.31	18.03	494.80
	Closing	399.48	612.76	617.51	68.70	29.90	34.48	20.98	8.72	1,792.54	13.98	3.43	17.41	974.72
	As at 31st March 2024	<b>Gross Block</b>												
Opening		395.44	848.05	1,005.16	118.11	54.60	51.67	148.58	-	2,621.61	13.40	59.17	72.57	-
Deduction		-	-	120.52	-	-	2.08	56.36	-	178.96	-	-	-	-
Addition		4.04	100.50	204.85	37.68	27.93	26.16	-	9.70	410.86	13.21	-	13.21	494.80
Closing		399.48	948.55	1,089.50	155.79	82.53	75.74	92.22	9.70	2,853.51	26.61	59.17	85.78	494.80
<b>Depreciation</b>														
Opening		-	263.46	445.37	73.13	38.58	32.47	104.68	-	957.69	9.93	54.24	64.17	-
Deduction/Disposal		-	-	87.84	-	-	1.97	51.23	-	141.04	-	-	-	-
For the year		-	57.78	108.46	13.00	14.86	11.05	13.24	0.57	218.97	2.96	0.62	3.58	-
Closing		-	321.23	466.00	86.13	53.44	41.55	66.70	0.57	1,035.62	12.89	54.86	67.75	-
<b>Net Block</b>														
Opening		395.44	584.59	559.79	44.99	16.02	19.19	43.90	-	1,663.92	3.47	4.93	8.40	-
Closing		399.48	627.32	623.50	69.66	29.09	34.19	25.53	9.13	1,817.89	13.72	4.31	18.03	494.80

Year	Particular	Tangible Assets							Intangible assets			Capital Work in Progress		
		Land	Factory Building	Plant, Machinery & Tools & Equipment	Furniture & Fixtures	Office Computer	Office Equipment	Vehicle	R&D Plant & Machinery asset	Total of tangible asset	Software	Technical Knowhow	Total of Intangible assets	Total of Capital Work in Progress
As at 31st March 2023	<b>Gross Block</b>													
	Opening	387.44	662.81	832.85	113.21	33.36	30.70	136.90		2,197.27	11.72	59.17	70.89	19.36
	Deduction	-	0.30	0.36	-	0.32	-	-		0.98	-	-	-	19.36
	Addition	8.00	185.54	172.67	4.91	21.56	20.97	11.68		425.32	1.68	-	1.68	-
	Closing	395.44	848.05	1,005.16	118.11	54.60	51.67	148.58		2,621.61	13.40	59.17	72.57	-
	<b>Depreciation</b>													
	Opening	-	217.10	346.13	58.54	25.60	22.69	88.22		758.28	7.88	53.52	61.41	-
	Deduction/Disposal	-	-	0.34	-	0.31	-	-		0.64	-	-	-	-
	For the year	-	46.36	99.57	14.59	13.29	9.78	16.47		200.05	2.05	0.72	2.77	-
	Closing	-	263.46	445.37	73.13	38.58	32.47	104.68		957.69	9.93	54.24	64.17	-
	<b>Net Block</b>													
	Opening	387.44	445.71	486.71	54.67	7.77	8.00	48.69		1,438.99	3.84	5.65	9.48	19.36
	Closing	395.44	584.59	559.79	44.99	16.02	19.19	43.90		1,663.92	3.47	4.93	8.40	-
	As at 31st March 2022	<b>Gross Block</b>												
Opening		34.41	495.69	614.16	80.65	26.41	25.43	125.22		1,401.97	11.22	59.17	70.39	148.53
Deduction		-	-	-	-	-	-	-		-	-	-	-	129.16
Addition		353.03	167.12	218.69	32.55	6.95	5.27	11.69		795.29	0.50	-	0.50	-
Closing		387.44	662.81	832.85	113.21	33.36	30.70	136.90		2,197.27	11.72	59.17	70.89	19.36
<b>Depreciation</b>														
Opening		-	187.20	281.79	47.58	17.61	19.05	70.57		623.80	5.31	52.53	57.84	-
Deduction/Disposal		-	-	-	-	-	-	-		-	-	-	-	-
For the year		-	29.90	64.35	10.96	7.99	3.64	17.64		134.48	2.57	0.99	3.57	-
Closing		-	217.10	346.13	58.54	25.60	22.69	88.22		758.28	7.88	53.52	61.41	-
<b>Net Block</b>														
Opening	34.41	308.49	332.37	33.07	8.80	6.38	54.65		778.17	5.91	6.64	12.55	148.53	
Closing	387.44	445.71	486.71	54.67	7.77	8.00	48.69		1,438.99	3.84	5.65	9.48	19.36	

\*Net block of the vehicle as at 30th June 2024 includes motor vehicle having value of Rs.20.77 lakhs as at 30th June 2024, Rs. 22.50 as at 31st March 2024, Rs. 32.75 as at 31st March 2023 & Rs. 33.68 Lakhs as at 31st March 2022, which are in the name of promoter/director of the company, for which the necessary transfer procedure has already been initiated and in case of one car namely XL6 SMart Hybrid Zeta, having net block as on 30th June 2024, Rs. 6.07 Lakhs, the said has already been transferred to the company name.

## Intangible Assets under Development

(Rs. In Lakhs)

Year	Particular	Gross Block				Depreciation			Net Block		
		Opening	Deduction	Addition	Closing	Opening	Addition/ (Deduction)	For the year	Closing	Closing	Opening
F.Y. 2024-25	Intangible Asset under Development	13.50	-	70.80	84.30	-	-	-	-	84.30	13.50
F.Y. 2023-24	Intangible Asset under Development	-	-	13.50	13.50	-	-	-	-	13.50	-
F.Y. 2022-23	Intangible Asset under Development	-	-	-	-	-	-	-	-	-	-
F.Y. 2021-22	Intangible Asset under Development	-	-	-	-	-	-	-	-	-	-

**YASH HIGHVOLTAGE LIMITED NOTES TO RESTATED FINANCIAL STATEMENTS**
**15.1 Restated Statement of Trade Receivable**

(Rs. In Lakhs)

SN	Particulars	Not Due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
<b>As at 30 June 2024</b>								
(i)	Undisputed Trade Receivable - Considered Good	1,329.36	345.74	16.55	1.05	-	0.25	1,692.94
(ii)	Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	5.76	5.76
	Less: Provision For doubtful debt	-	-	-	-	-	5.76	5.76
	<b>Total Trade Receivable</b>	<b>1,329.36</b>	<b>345.74</b>	<b>16.55</b>	<b>1.05</b>	<b>-</b>	<b>0.25</b>	<b>1,692.94</b>
<b>As at 31 March 2024</b>								
(i)	Undisputed Trade Receivable - Considered Good	985.99	200.39	55.07	10.62	0.25	-	1,252.32
(ii)	Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	5.76	5.76
	Less: Provision For doubtful debt	-	-	-	-	-	5.76	5.76
	<b>Total Trade Receivable</b>	<b>985.99</b>	<b>200.39</b>	<b>55.07</b>	<b>10.62</b>	<b>0.25</b>	<b>-</b>	<b>1,252.32</b>

**YASH HIGHVOLTAGE LIMITED NOTES TO RESTATED FINANCIAL STATEMENTS**

SN	Particulars	Less than 6		6 Months - 1	More than 3			Total
		Not Due	Months	year	1-2 years	2-3 Years	Years	
	<b>As at 31 March 2023</b>							
(i)	Undisputed Trade Receivable - Considered Good	1,241.05	348.64	48.46	0.48	-	-	1,638.63
(ii)	Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	-	5.76	5.76
(iv)	Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
	Less: Provision For doubtful debt	-	-	-	-	-	-	-
	<b>Total Trade Receivable</b>	<b>1,241.05</b>	<b>348.64</b>	<b>48.46</b>	<b>0.48</b>	<b>-</b>	<b>5.76</b>	<b>1,644.39</b>
	<b>As at 31 March 2022</b>							
(i)	Undisputed Trade Receivable - Considered Good	793.78	142.73	1.49	0.60	-	-	938.60
(ii)	Undisputed Trade Receivable - Considered Doubtful	-	-	-	0.95	-	-	0.95
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	-	5.76	-	5.76
(iv)	Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
	Less: Provision For doubtful debt	-	-	-	-	-	-	-
	<b>Total Trade Receivable</b>	<b>793.78</b>	<b>142.73</b>	<b>1.49</b>	<b>1.55</b>	<b>5.76</b>	<b>-</b>	<b>945.31</b>

41 Additional Regulatory Information  
Restated Statement of Ratio Analysis

Ratio	Numerator	Denominator	Period	% of Variance in F.Y.						Remarks if difference is > 25%	Remarks if difference is > 25%	Remarks if difference is > 25%
			Ended 30th June 2024	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22	2024-25	2023-24	2022-23			
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.63	1.71	1.79	1.93		-4.19%	-7.40%		NA	NA
Debt Equity ratio (in times)	Debt	Total Equity	0.28	0.17	0.24	0.30		-30.71%	-20.22%		The variance is on account of decreases in the debt of the company.	NA
Debt Service Coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-Cash operating expenses + Interest + Other non-cash adjustments	Debt Service = Interest and lease payments + principal repayment	1.74	4.09	5.58	5.97		-26.59%	-6.61%		There is increase in debt serviced during the year due to early payment of term loan which has resulted into decrease in debt service coverage ratio.	NA
Return on Equity Ratio (in %)	Profit for the year less preference dividends (if any)	Average total equity	7.16%	32.51%	40.37%	42.02%	NA	-19.48%	-3.92%	Reason for the ratios are not disclosed with respect to comparative between FY 23-24 & Up to 30.06.2024 as data provided of previous year is year on year basis and Current Period Data provided is of three Months.	NA	NA
Inventory Turnover Ratio (in times)	Revenue from operations	Average Inventory	1.262	5.76	6.27	5.64		-8.24%	11.33%		NA	NA
Trade Receivable turnover ratio (in times)	Revenue from operations	Average Trade Receivables	1.88	7.49	6.98	8.03		7.33%	-13.05%		NA	NA
Trade Payables turnover ratio (in times)	Cost of Goods Sold & Other Expense	Average Trade Payables	2.15	8.29	9.16	9.66		-9.46%	-5.20%		NA	NA

Ratio	Numerator	Denominator	Period	% of Variance in F.Y.						Remarks if difference is > 25%	Remarks if difference is > 25%	Remarks if difference is > 25%
			Ended 30th June 2024	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2021-22	2024-25	2023-24	2022-23			
Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Working Capital (i.e. Total Current Assets less Total Current Liabilities)	1.59	6.41	5.80	5.82		10.58%	-0.35%	Reason for the ratios are not disclosed with respect to comparative between FY 23-24 & Up to 30.06.2024 as data provided of previous year is year on year basis and Current Period Data provided is of three Months.	NA	NA
Net Profit Ratio (in %)	Profit for the year	Revenue from Operations	11.32%	11.12%	12.64%	13.39%	NA	-12.03%	-5.61%		NA	NA
Return on Capital Employed (in %)	Profit before tax and finance cost	Capital Employed = Net Worth + Lease Liabilities + Deferred Tax Liabilities	10.56%	44.07%	54.17%	54.90%		-18.65%	-1.32%		NA	NA



**Restated Statement of Accounting Ratios:**

Particulars	30-06-2024	31-03-2024	31-03-2023	31-03-2022
Net Profit after Tax as per Restated Statement of Profit & Loss attributable to Equity Shareholder (INR in Lakhs)	312.75	1,206.27	1,142.22	871.23
Weighted Average number of Equity shares used as denominator for calculating EPS (In Nos)	2,21,46,249	2,21,46,249	2,21,46,249	2,21,46,249
<b>Basic Earning per share (In INR)</b>	<b>1.41</b>	<b>5.45</b>	<b>5.16</b>	<b>3.93</b>
<b>Diluted Earning per share (In INR)</b>	<b>1.41</b>	<b>5.45</b>	<b>5.16</b>	<b>3.93</b>
Face Value per Equity share (In INR)	5	5	5	5
(Refer Note: 26)				
<b>EBITDA Margin (%)</b>				
Net Profit as Restated	312.75	1,206.27	1,142.22	871.23
Depreciation	59.69	222.54	202.82	138.05
Finance Cost	46.92	206.99	114.42	103.62
Tax	118.08	443.45	481.20	370.46
Other Income	-14.96	-64.17	-24.95	-32.19
<b>EBITDA</b>	<b>522.48</b>	<b>2,015.08</b>	<b>1,915.72</b>	<b>1,451.16</b>
<b>EBITDA Margin (%)</b>	<b>18.91%</b>	<b>18.58%</b>	<b>21.20%</b>	<b>22.31%</b>
Return on Net Worth				
Net Profit after Tax as per Restated Statement of Profit & Loss	312.75	1,206.27	1,142.22	871.23
Average Networkth	4,369.82	3,710.83	2,829.43	2,073.52
<b>Return on Net Worth</b>	<b>7.16%</b>	<b>32.51%</b>	<b>40.37%</b>	<b>42.02%</b>
Net Asset Value Per Share				
Net Worth as restated	4,526.20	4,213.45	3,208.21	2,450.65
Number of Equity Share Outstanding	73,82,083	30,75,868	30,75,868	30,75,868
<b>Net Asset Value Per Share</b>	<b>61.31</b>	<b>136.98</b>	<b>104.30</b>	<b>79.67</b>

**Notes: The above ratios has been computed as per following formulas:**

- (i) Basic Earning Per Share: Profit available to equity shareholders / Weighted No. of equity shares outstanding at the end of the year/period [Considering AS-20]
- (ii) Diluted Earning Per Share: Profit available to equity shareholders / Weighted No. of equity shares & potaintial equity shares outstanding at the end of the year/period [Considering AS-20]
- (iii) EBITDA Margin = EBITDA/Total Revenues from operation
- (iv) Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
- (v) NAV: Net Worth as restated/No. Equity Shares Outstanding
- (vi) Ratios for the Period ended 30th June, 2024 are not annualised.

**Restated Statement of Tax Shelters:**

Particulars	For the period ended 30/06/2024	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Income Tax Rate (%)	25.17%	25.17%	29.12%	29.12%
Restated Income before tax as per books (A)	430.83	1,649.72	1,623.43	1,241.68
Incomes considered seperately	-	-	-	-
Total Income considered seperately (B)	-	-	-	-
<b>Restated profit other than income consider seperately (C ) = (A) - (B)</b>	<b>430.83</b>	<b>1,649.72</b>	<b>1,623.43</b>	<b>1,241.68</b>
<b>Tax Adjustment</b>				
<b>Permanent Differences-(D)</b>				
Section 40 Disallowance	0.12	8.13	20.15	17.29
Donations	-	0.03	-	0.13
Expenditure of CSR	30.32	23.87	14.72	7.92
Any other amount not allowable under section 37	-	5.28	8.10	0
Additional under section 28 to 44DB (e)- Net	-0.51	20.55	0.24	-1.89
<b>Total Permanent Differences (D)</b>	<b>29.93</b>	<b>57.86</b>	<b>43.21</b>	<b>23.44</b>
<b>Timing Differences- (E)</b>				
Book Depreciation	59.69	222.54	202.82	138.05
Income Tax Depreciation allowance	50.90	200.48	206.10	135.57
Section 43B Disallowance-Net	24.97	5.54	2.47	4.08
<b>Total Timing Differences - (E)</b>	<b>33.76</b>	<b>27.60</b>	<b>-0.82</b>	<b>6.56</b>
<b>Income From Business or Profession</b>				
<b>(F) = (C )+(D)+(E )</b>	<b>494.51</b>	<b>1,735.18</b>	<b>1,665.82</b>	<b>1,271.69</b>
Taxable income from other sources (G)	-	-	-	-
<b>Taxable Income/(Loss) (F)+(G)</b>	<b>494.51</b>	<b>1,735.18</b>	<b>1,665.82</b>	<b>1,271.69</b>
Unabsorbed Losses	-	-	-	-
<b>Gross Total Income</b>	<b>494.51</b>	<b>1,735.18</b>	<b>1,665.82</b>	<b>1,271.69</b>
Deductions under chapter VI-A	-	-	-	-
<b>Tax Expenses as recognised in restated statement of Profit &amp; Loss account</b>	<b>124.46</b>	<b>449.53</b>	<b>486.93</b>	<b>378.10</b>

**Note:**

The aforesaid statement of tax shelters has been prepared as per the restated statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

**Material Adjustments in Restated Profit & Loss Account:**

(Rs. In Lakhs)

Particulars	Note No.	31-Mar-24	31-Mar-23	31-Mar-22
<b>Net Profit after tax as per audited financial statements (A)</b>		1,232.87	1,086.79	865.53
<b>Add/(Less) : Adjustments on account of -</b>				
<b>Difference on Account of Inventories</b>		<b>-127.56</b>	<b>73.99</b>	<b>16.25</b>
-On account of valuation method (Landed Cost & FG Valuation)	2 & 3	-134.33	81.72	-2.09
-On account of Inventories lying with Third Parties	1	6.77	-7.73	18.34
Difference on Account of Prior Period Expenses/Prior Period Adjustment	4	-7.97	3.02	-7.01
Adjustment on account of Prior period tax	4	-0.35	0.71	-0.36
Adjustment on account of Excess charge of Personal Bank Gurantee Commission	5	11.80	-	-
Adjustment on account of Provision for Income tax	6	90.47	-22.28	-3.19
Adjustment on account of Deferred Tax	7	7.00	-	-
<b>Total Adjustments (B)</b>		<b>-26.60</b>	<b>55.43</b>	<b>5.69</b>
<b>Restated Profit/ (Loss) (A+B)</b>		<b>1,206.27</b>	<b>1,142.22</b>	<b>871.23</b>

**Material Adjustments in Restated Reserves and Surplus:**

(Rs. In Lakhs)

Particulars		31-Mar-24	31-Mar-23	31-Mar-22
<b>Reserves and Surplus as per audited financial statements (A)</b>		3,872.63	2,840.79	2,138.66
<b>Add/(Less) : Adjustments on account of -</b>				
Difference on Account of Items relating to Profit & Loss [As above]		-26.60	55.43	5.69
Difference on Account adjustment to Opening Balance		59.84	4.40	-1.29
<b>Total Adjustments (B)</b>		<b>33.24</b>	<b>59.84</b>	<b>4.40</b>
<b>Restated Reserves and Surplus (A+B)</b>		<b>3,905.86</b>	<b>2,900.62</b>	<b>2,143.06</b>

**Explanation for the Material Adjustments:**

- Finished Goods sent to third party for testing purposes and lying with such third party as at the year-end was not getting covered in the Total Inventory of Finished Goods as at the year end. Accordingly, the value of Closing Stock of Finished Goods has increased by 18.34 Lakhs, 10.60 Lakhs & 17.38 Lakhs for the year ended 31st March 2022, 2023 & 2024 respectively. Moreover, its reversal effect of the same has also been provided in the opening stock for the respective next years. Accordingly, the profit of the company has been increased by Rs. 18.34 lakhs for the year ended 31st March 2022, Rs. 6.77 Lakhs for the year ended 31st March 2024 & decreased by Rs. 7.73 lakhs for the year ended 31st March 2023.
- The Cost of bringing the inventory to the its location was not getting added to the valuation of raw materials for the year ended 31st March, 2022 and 31st March, 2023. Accordingly, the valuation of the inventory has been increased by Rs. 25.36 Lakhs, Rs. 87.44 Lakhs respectively in both of the above years. Moreover, the reversal effect of the same has also been provided in the respective next financial years. Accordingly the profit of the company has been increased by Rs. 25.36 lakhs for the year ended 31st March 2022 & increased by Rs. 62.08 lakhs for the year ended 31st March 2023 and decreased by Rs. 87.44 Lakhs for the year ended 31st March 2024.
- Apropos valuation of Finished Goods at Cost or Net Realisable value whichever is lower, the Company was determining cost by reducing profit margin from the selling price instead of determining the cost based on consumption of materials and overheads. Accordingly, for the year ended 31st March 2022, 31st March 2023 & 31st March 2024 the stock of the FG has been reduced by Rs. 27.44 Lakhs, Rs.7.81 Lakhs, Rs.54.70 Lakhs respectively. Moreover the reversal impact of the same has also been provided in the opening stock of the subsequent respective financial years. Accordingly the profit of the company has been reduced by Rs. 27.44 lakhs for the year ended 31st March 2022, Rs. 46.89 Lakhs for the year ended 31st March 2024 & increased by Rs. 19.63 Lakhs for the year ended 31st March 2023.
- The adjustment for the prior period expenditure has been provided and accordingly the said expenses has now been booked for the respective year to which they relate.
- The company had provided excess personal gurantee commission amounting to Rs. 11.80 Lakhs to relative of KMP's during the year ended 31st March 2024 and accordingly the same has been reversed now.
- The provision for the Income tax has been changed mainly on account to give the effect of above changes in the respective years & rates of the income tax since the company has adopted new tax regime under section 115BAA of the Income tax act, 1961 w.e.f AY 2024-25.
- The deferred tax adjustment has been provided mainly due to the fact of shifting of the tax regime by the company from AY 24-25.

**Material regrouping/reclassifications:**

Appropriate regrouping/reclassification have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss Account & Restated Statement of Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited financial statement for period ended 30th June, 2024 prepared in accordance with Generally Accepted Accounting Principles ("GAAP") in India and to comply in all material respects with the applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("Act") read with relevant rules and other relevant provisions of the Act and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

i) Impact on financial information line items:

Particulars	Note No.	Amount for the year		Amount for the year
		ended 31st March, 2024 (Reported)	Adjustments	
Reserves and Surplus	2	3,872.63	33.24	3,905.86
Other Long Term Liabilities	5	-	8.94	8.94
Trade Payables:				
(a) Total Outstanding Dues Of MSME	7	65.38	0.00	65.38
(b) Total Outstanding Dues Of Creditors Other Than MSME	7	1,499.22	11.56	1,510.79
Other Current Liabilities	8	432.84	-8.94	423.90
Short-Term Provisions	9	559.52	-501.63	57.89
Deferred Tax Asset (Net)	11	17.86	7.00	24.86
Long-Term Loans and Advances	12	113.41	289.17	402.58
Inventories	14	2,164.67	-37.32	2,127.34
Short-Term Loans and Advances	17	851.14	-603.23	247.92
Other Current Assets	-	112.46	-112.46	-
Revenue from operations	18	10,837.92	10.16	10,848.08
Other Income	19	74.33	-10.16	64.17
Cost of Materials Consumed	20	6,082.67	87.44	6,170.11
Restated Statement of Changes in inventory of Finished Goods & Work-In-Progress	21	-190.46	40.11	-150.35
Finance Cost	23	218.79	-11.80	206.99
Other Expenses	25	1,616.55	7.97	1,624.52

Particulars	Note No.	Amount for the year		Amount for the year
		ended 31st March, 2023 (Reported)	Adjustments	
Reserves and Surplus	2	2,840.79	59.84	2,900.62
Other Long Term Liabilities	5	-	2.47	2.47
Trade Payables:				
(a) Total Outstanding Dues Of MSME	7	87.66	-	87.66
(b) Total Outstanding Dues Of Creditors Other Than MSME	7	1,365.03	-20.42	1,344.61
Other Current Liabilities	8	368.37	23.23	391.59
Short-Term Provisions	9	486.66	-430.17	56.50
Long-Term Loans and Advances	12	-	90.00	90.00
Inventories	14	1,550.80	90.23	1,641.03
Short-Term Loans and Advances	17	624.00	-513.69	110.32
Other Current Assets	-	31.60	-31.60	-
Revenue from operations	18	9,032.57	3.64	9,036.21
Other Income	19	28.58	-3.64	24.95
Cost of Materials Consumed	20	5,184.70	-62.09	5,122.61
Restated Statement of Changes in inventory of Finished Goods & Work-In-Progress	21	-68.90	-11.90	-80.80
Other Expenses	25	1,062.45	-3.02	1,059.44

Particulars	Note No.	Amount for the year		Amount for the year
		ended 31st March, 2022 (Reported)	Adjustments	
Reserves and Surplus	2	2,138.66	4.40	2,143.06
Long Term Borrowings	3	382.60	-0.07	382.54
Other Long Term Liabilities	5	-	2.07	2.07
Short-Term Borrowings	6	361.88	0.07	361.95
Trade Payables	7	764.21	8.30	772.51
Other Current Liabilities	8	235.14	-2.07	233.07
Short-Term Provisions	9	388.19	-302.78	85.41
Inventories	14	1,222.93	16.25	1,239.18
Short-Term Loans and Advances	17	363.35	-289.48	73.87
Other Current Assets	-	16.84	-16.84	-
Revenue from operations	18	6,501.16	4.54	6,505.71
Other Income	19	36.74	-4.54	32.19
Cost of Materials Consumed	20	3,853.22	-54.53	3,798.69
Restated Statement of Changes in inventory of Finished Goods & Work-In-Progress	21	-81.71	9.11	-72.60
Other Expenses	25	727.10	36.18	763.28

## **OTHER FINANCIAL INFORMATION**

For details on Other Financial Information please refer to “*Note 41 - Additional Regulatory Information*” under section titled “*Restated Financial Statements*” beginning on Page 238 of this Draft Red Herring Prospectus.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION 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 Period ended on June 30, 2024, and Fiscal March 31, 2024, 2023 and 2022 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Draft Red Herring Prospectus. You should also see the section titled "Risk Factors" beginning on page 39 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.*

*These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the auditors examination report which is included in this Draft Red Herring Prospectus under the section titled "Financial Information - Restated Financial Statements" beginning on page 238. 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.*

*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 because of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on 39 and 27 respectively, and elsewhere in this Draft Red Herring Prospectus.*

*Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our Financial Year 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 as well as three-month period ended June 30, 2024. Please also refer to section titled "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data" beginning on page 24 of this Draft Red Herring Prospectus.*

### **BUSINESS OVERVIEW**

Incorporated in year 2002, we are leading manufacturer of innovative high-voltage and high-current transformer bushings, serving the global power transmission and generation sectors for over two decades. We are one of the few manufacturers to design and supply transformer bushings globally compliant with IEEE/ANSI standards for the USA and European markets. Our manufacturing facility is in Halol near Vadodara, India (known as the transformer hub of India). We serve 60 countries with over 35,000 bushings in operation worldwide. Additionally, our bushings are installed in every Indian nuclear power generation facility, as well as in all major transmission and distribution utilities across India. We are among the few companies in the world to innovate OIP condenser bushings with polymer insulators.

Currently, we manufacture bushings from our manufacturing plant located in Halol near Vadodara, Gujarat, India. The manufacturing unit is located at 84/1B P.O. Khakhariya, Taluka-Savli, Dist-Vadodara-391510, Gujarat, India admeasuring an factory area of over 65,000 sq. ft. Our plant configurations has continuously expanded its manufacturing facility and product range to manufacture transformer bushings annually, with the capability to serve major volumes of transformer OEMs globally based on the different requirements of our customers pertaining to the dimensions, size and material requirements. We have a installed manufacturing capacity of 7,000 bushings. Yash Highvoltage is an ISO 9001:2015 accredited leading manufacturer of HV condenser-graded transformer bushings, compliant with IEC, IEEE and ANSI standards.

Our extensive range of transformer bushings adds value to customer through custom engineering and such range includes RIP/RIS condenser bushings, High current bushings, OIP condenser bushings and OIP wall bushings. Our flagship product, high-current bushings, has found wide acceptance in the Indian market as an import substitute. In 2018-19, we pioneered the localization and supply of RIS Bushings in India, marking a significant milestone. We are a domestic manufacturing market leader for RIP bushings and high-current bushings with over 80% market share for capacity up to 245kV. We hold a significant share of the domestic OIP bushings market and exports these products to over 60 countries, with continuous global expansion. Also, we offer customization options within our product range to meet our customers' requirements to the greatest extent.

Over the course of a decade from 2010 to 2021, we demonstrated remarkable growth, escalating our revenue from a modest ~₹30 lakhs in 2010 to an impressive ~₹ 3,738 lakhs in 2021. Revenue almost doubled to ~ ₹ 6,505 lakhs in FY21-22. The milestone of ₹ 10,000 lakhs turnover was achieved in FY24. For OIP, high -current and other bushings, ~ 78% of revenue comes from domestic Indian clients, while the remaining ~ 22% is generated through exports. In the financial year 2021-2022, 81 clients placed their trust in us and joined our journey. An additional 50 clients were added in 2022-2023, followed by 48 more in 2023-2024.

### **KEY PERFORMANCE INDICATORS OF OUR COMPANY**

(Amount in Rs. Lakhs)

Particulars	June 30, 2024	Fiscal year 2023-24	Fiscal year 2022-23	Fiscal year 2021-22
REVENUE FROM OPERATIONS	2,762.88	10,848.08	9,036.21	6,505.71
EBITDA	522.48	2,015.08	1,915.72	1,451.16
EBITDA MARGIN	18.91%	18.58%	21.20%	22.31%
PAT	312.75	1,206.27	1,142.22	871.23
PAT MARGIN	11.32%	11.12%	12.64%	13.39%
NET WORTH	4,526.20	4,213.45	3,208.21	2,450.65
RETURN ON NET WORTH (RoNW)	7.16%	32.51%	40.37%	42.02%
DEBT-EQUITY RATIO (times)	0.28	0.17	0.24	0.30
BUSHINGS SOLD (Units)	1,109	4,538	4,576	3108
INCREASE IN NUMBER OF CLIENTS	16	48	50	81

KPI	FORMULA
REVENUE FROM OPERATIONS	Revenue From Operations (Excluding Other Income)
EBITDA	EBITDA is calculated as = Profit Before Tax + Depreciation & Amortisation expense + Finance Cost - Other Income
EBITDA MARGIN %	EBITDA Margin (%) is calculated as EBITDA for the year/period as a percentage of Revenue from Operations (%)
PAT	Profit after Tax Means Profit for the period/year as appearing in the Restated Financial Statements.Profit After Tax from Continuing Operations
PAT MARGIN %	PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from operations. PAT / Total revenue from operation
NET WORTH	Net Worth is calculated as= Share Capital + Balance in Profit and Loss + Security Premium
RETURN ON NET WORTH (RoNW) %	Return on Net Worth is calculated by comparing the proportion of net income against the amount of average shareholder equity.
DEBT-EQUITY RATIO	Debt to Equity ratio is calculated as Long-Term Debt + Short Term Debt divided by shareholder equity.
BUSHINGS SOLD (Units)	Number of RIP/RIS, OIP and High Current bushings sold have been considered.
INCREASE IN NUMBER OF CLIENTS	The increase in clients added in Financial year 21-22, 22-23 and 23-24 along with three months ended June 30 2024.

KPI	Explanation
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 the Company and size of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of our business as it considers all sources of our core income.
EBITDA MARGIN %	EBITDA Margin is an indicator of the operational profitability and financial performance of Company's business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT MARGIN %	PAT margin is an indicator of the overall profitability and financial performance of our business.

NET WORTH	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the Company
RETURN ON NET WORTH (RoNW) %	Return on Net Worth is an indicator of our efficiency as it measures our profitability. It shows how efficiently we generate profits from our shareholders funds.
DEBT-EQUITY RATIO	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
BUSHINGS SOLD (Units)	Number of bushings units which includes RIP/RIS, OIP and High Current bushings has been considered
INCREASE IN NUMBER OF CLIENTS	The increase in number of clients shows that how company is growing, and new clients places their trust on company every year.

### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 39

### **RESULTS OF OUR OPERATION**

(Amount in ₹'s Lakhs)

No.	Particulars	Three Months Ended June 30 2024	% Total Income	Fiscal 2024	% Total Income	Fiscal 2023	% Total Income	Fiscal 2022	% Total Income
I	Revenue from Operations	2,762.88	99.46	10,848.08	99.41	9,036.21	99.72	6,505.71	99.51
II	Other Income	14.96	0.54	64.17	0.59	24.95	0.28	32.19	0.49
<b>III</b>	<b>Total Income</b>	<b>2,777.84</b>	<b>100</b>	<b>10,912.25</b>	<b>100</b>	<b>9,061.15</b>	<b>100</b>	<b>6,537.90</b>	<b>100</b>
<b>IV</b>	<b>Expenses</b>								
	(i) Cost of Material Consumed	1,415.67	50.96	6,170.11	56.54	5,122.61	56.53	3,798.69	58.10
	(ii) Restated Statement of Changes in inventory of Finished Goods & Work-In-Progress	105.19	3.79	(150.35)	(1.38)	(80.80)	(0.89)	(72.60)	(1.11)
	(iii) Employee benefits expense	282.29	10.16	1,188.72	10.89	1,019.24	11.25	565.19	8.64
	(iv) Finance Cost	46.92	1.69	206.99	1.90	114.42	1.26	103.62	1.58
	(v) Depreciation and amortization	59.69	2.15	222.54	2.04	202.82	2.24	138.05	2.11
	(vi) Other expenses	437.25	15.74	1,624.52	14.89	1,059.44	11.69	763.28	11.67
	<b>Total Expenses</b>	<b>2,347.01</b>	<b>84.49</b>	<b>9,262.53</b>	<b>84.88</b>	<b>7,437.73</b>	<b>82.08</b>	<b>5,296.22</b>	<b>81.01</b>
<b>V</b>	<b>Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)</b>	<b>430.83</b>	<b>15.51</b>	<b>1,649.72</b>	<b>15.12</b>	<b>1,623.43</b>	<b>17.92</b>	<b>1,241.68</b>	<b>18.99</b>
VI	Extraordinary Item	-		-		-		-	
<b>VII</b>	<b>Profit before tax (V-VI)</b>	<b>430.83</b>	<b>15.51</b>	<b>1,649.72</b>	<b>15.12</b>	<b>1,623.43</b>	<b>17.92</b>	<b>1,241.68</b>	<b>18.99</b>
<b>VIII</b>	<b>Tax Expense</b>								
	(i) Current tax	124.46	4.48	449.53	4.12	486.93	5.37	378.10	5.78



	(ii) Deferred tax	(6.38)	(0.23)	(6.08)	(0.06)	(5.73)	(0.06)	(7.64)	(0.12)
	<b>Total Tax Expense</b>	<b>118.08</b>	4.25	<b>443.45</b>	4.06	<b>481.20</b>	5.31	<b>370.46</b>	5.67
<b>IX</b>	<b>Profit / (Loss) for the year after tax (VII-VIII)</b>	<b>312.75</b>	11.26	<b>1,206.27</b>	11.05	<b>1,142.22</b>	12.61	<b>871.23</b>	13.33

## Review of Restated Financials

### Three months ended June 30, 2024 Compared with Fiscal 2024

#### Revenue from Operations

The monthly revenue run rate of ₹ 920.96 Lakhs for three months Ended June 30, 2024 increased by 1.88% as compared to Monthly run rate of ₹ 904.01 Lakhs for Fiscal 2024. This is mainly due to increase in sale of goods and services.

#### Total Expenses

The monthly Total Expense run rate of ₹ 782.42 Lakhs for three months Ended June 30, 2024 increased by 1.36% as compared to Monthly run rate of ₹ 771.88 Lakhs for Fiscal 2024. This is mainly due to increase in other expenses and depreciation.

#### Profit After Tax

The monthly Profit After Tax run rate of ₹104.25 Lakhs for three months Ended June 30, 2024 increased by 3.71% as compared to Monthly run rate of ₹ 100.52 Lakhs for Fiscal 2024. This is mainly due to increase in sales of products and services.

### Fiscal 2024 compared with Fiscal 2023

#### Revenue from Operation

Revenue from operations had increased by 20.05% from ₹ 9,036.21 Lakhs in Fiscal 2023 to ₹ 10,848.08 Lakhs in Fiscal 2024. The main reason for the same is increase in Domestic sales of good and Export Sales.

#### Cost of Goods Sold (Cost of Material Consumed +/- Change in Inventories)

Cost of Materials Consumed increased by 19.40% from ₹5,041.81 Lakhs during Fiscal 2023 to ₹6,019.76 Lakhs during Fiscal 2024 mainly due to increase in purchases during the year.

#### Employee Benefit Expenses

Employee benefit expenses had Increased by 16.63% from ₹ 1,019.24 Lakhs in Fiscal 2023 to ₹ 1,188.72 Lakhs in Fiscal 2024 mainly due to increase in salaries and wages during FY 2023-24.

#### Other Expenses:

Other expenses had increased by 53.34% from ₹ 1,059.44 Lakhs in Fiscal 2023 to ₹ 1,624.52 Lakhs in Fiscal 2024. This is primarily because of increase in Professional Fees-Marketing expenses.

#### Finance Cost

Finance Cost had increased by 80.90% from ₹ 114.42 Lakhs in Fiscal 2023 to ₹ 206.99 Lakhs in Fiscal 2024. This is primarily due to increase in Other Borrowing Costs.

#### Depreciation and Amortization Expenses

Depreciation & Amortization expenses had increased by 9.73% from ₹ 202.82 Lakhs in Fiscal 2023 to ₹ 222.54 Lakhs in Fiscal 2024.

The increase in depreciation is primarily driven by the additions in their fixed assets which lead to increase in depreciation during the year.

#### Profit after Tax

The Profit After Tax increased by 5.61% from ₹ 1,142.22 Lakhs in Fiscal 2023 to ₹ 1,206.27 Lakhs in Fiscal 2024 which is largely in line with the Profit Before Tax. The profit is increased on account of increased sales.

### **Fiscal 2023 compared with Fiscal 2022**

#### **Revenue from Operation**

Revenue from operations had increased by 38.90% from ₹ 6,505.71 Lakhs in Fiscal 2022 to ₹ 9,036.21 Lakhs in Fiscal 2023. The main reason for the same is increase in domestic sales.

#### **Cost of Goods Sold (Cost of Material Consumed +/- Change in Inventories)**

Cost of Materials consumed increased by 35.31% from ₹3,726.09 Lakhs during Fiscal 2022 to ₹5,041.81 Lakhs during Fiscal 2023 mainly due to increase in purchases during the year.

#### **Employee Benefit Expenses**

Employee benefit expenses had increased by 80.34% from ₹ 565.19 Lakhs in Fiscal 2022 to ₹ 1,019.24 Lakhs in Fiscal 2023 mainly due to increase in salaries and wages and staff welfare expenses during FY 2022-23.

#### **Other Expenses:**

Other expenses had increased by 38.80% from ₹ 763.28 Lakhs in Fiscal 2022 to ₹ 1,059.44 Lakhs in Fiscal 2023. This is primarily because of increase in selling and distribution expenses

#### **Finance Cost**

Finance Cost had increased by 10.42% from ₹ 103.62 Lakhs in Fiscal 2022 to ₹ 114.42 Lakhs in Fiscal 2023. This increase is primarily because of Borrowings during the year.

#### **Depreciation and Amortization Expenses**

Depreciation & Amortization expenses had increased by 46.92% from ₹ 138.05 Lakhs in Fiscal 2022 to ₹ 202.82 Lakhs in Fiscal 2023.

The change in depreciation is primarily driven by the additions in their fixed assets which lead to increase in depreciation during the year.

#### **Profit after Tax**

The Profit After Tax increased by 31.10% from ₹ 871.23 Lakhs in Fiscal 2022 to ₹ 1,142.22 Lakhs in Fiscal 2023 which is largely in line with the Profit Before Tax. The profit is increased on account of increased sales.

### **CASH FLOWS**

(Amount in ₹'s Lakhs)

<b>Particulars</b>	<b>Three Months Ended June 30, 2024</b>	<b>Fiscal 2024</b>	<b>Fiscal 2023</b>	<b>Fiscal 2022</b>
Net cash flow Generated/(Utilised) operating activities	258.38	1,026.64	912.22	727.90
Net Cash flow Generated/(Utilised) In Investing Activities	(977.81)	(525.06)	(411.43)	(980.71)
Net Cash flow Generated/(Utilised) in Financing Activities	502.40	(477.97)	(465.97)	283.25

#### **Cash Flows from Operating Activities**

In Period of 3 months ended June 30, 2024, the operating profit before working capital changes (as seen in the restated financial statements) was at ₹ 522.92 Lakhs. Cash flow increased mainly on account of increase in profits of the company.

Adjusting for net working capital outflow of ₹ 210.18 Lakhs, the net cash generated from operating activities stood at ₹258.38 Lakhs after giving impact of direct taxes of ₹ 54.36 Lakhs.

Net cash from operating activities for year ended on March 31, 2024, was at ₹ 1,026.64 lakhs, while Net cash from operating activities for period ended on March 31, 2023, was at ₹ 912.22 lakhs. The Increase in net operating cashflows was mainly due to changes in trade receivables and payables which resulted in higher cash outflow in FY 2024.

Net cash from operating activities for year ended on March 31, 2023, was at ₹ 912.22 lakhs, while Net cash from operating activities for period ended on March 31, 2022, was at ₹727.90 lakhs. The Increase in net operating cashflows was mainly due to changes in Inventory, trade receivables and payables which resulted in higher cash outflow in FY 2023.

### **Cash Flows from Investment Activities**

In Period of 3 months ended June 30, 2024, the net cash (Utilised) in Investing activities was (₹ 977.81) Lakhs. This was mainly on account of rise in purchase of property, plant and equipment and increase in fixed deposits.

In year ended March 31, 2024, the net cash (Utilised) in Investing Activities was ₹ (525.06) lakhs. This was mainly on account of purchase of property plant and equipments.

In year ended March 31, 2023, the net cash (Utilised) in investing activities was ₹ (411.43) lakhs, on account of purchase of property plant and equipment

In year ended March 31, 2022, the net cash (Utilised) in investing activities was ₹ (980.71) lakhs, on account of purchase of fixed asset and purchase of investments.

### **Cash Flows from Financing Activities**

In Period of 3 months ended June 30, 2024, the net cash Recieved from financing activities was ₹ 502.40 Lakhs. This was mainly on account of increase in short term borrowings.

In year ended on March 31, 2024, the net cash Repaid in financing activities was ₹ (477.97) lakhs. This was on account of payment of finance costs and Repayment of long-term loans.

In year ended March 31, 2023, the net cash Repaid in financing activities was ₹ (465.97) lakhs on account of finance costs paid and dividend payout.

In year ended March 31, 2022, the net cash Recieved from financing activities was ₹ 283.25 lakhs on account of increase in long term borrowings and Short Term Borrowing.

### **Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring 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.**

Other than as described in the section titled “*Risk Factors*” beginning on page 39 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company 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 39 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

#### **4. Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by demand supply situation, Government Policies and growth of industry in which we operate.

5. **Increases in net sales or revenue and Introduction of new services or increased sales prices.**

Increases in revenues are by and largely linked to increases in prices of products sold. **Total turnover of each major industry segment in which the issuer company operated.** For details on the total turnover of the industry please refer to section title “Our Industry” on page 130.

6. **Status of any publicly announced New Service or Business Segment**

Our Company has not announced any new product other than disclosed in the Draft Red Herring Prospectus.

7. **Seasonality of business**

Our business does not depend to a certain extent on the seasonal, environmental and climate changes. Hence, our business is not seasonal in nature.

8. **Dependence on few customers/ clients.**

Particulars*	June 30,2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Top 3 Customer	45.63 %	34.78 %	37.32 %	51.89 %
Top 5 Customer	64.22 %	54.81 %	60.05 %	68.64 %
Top 10 Customer	84.03 %	80.47 %	86.83 %	85.78 %

\*Refers to the % of Revenue from Operation for the respective Year

9. **Competitive conditions**

Competitive conditions are as described under “Our Industry” on page 130

10. **Details of material developments after the date of last balance sheet i.e. June 30, 2024:**

A. **Acquisition of Land for Setting up a new factory to manufacture RIP transformer condenser graded bushings**

For Setting up a new Factory the company has taken up the Object of Acquiring Land. The Company has Entered into a binding sale deed dated July 1, 2024 with Hamraz Food Products Private Limited to Acquire the land of the size of 1,40,524 square feet situated at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat.

B. **Corporate Actions**

The Company has undertaken Corporate Actions After the last Balance sheet dated June 30, 2024 details of which are as follows:

- On July 08, 2024, equity shares of face value of ₹ 10/- each of our Company were sub-divided into 2 equity shares of face value of ₹ 5/- each. Consequently, the issued and subscribed share capital of our Company comprising 73,82,083 equity shares of face value of ₹ 10/- each was sub-divided into 1,47,64,166 equity shares of face value of ₹ 5/- each.
- After the above Corporate Actions, the Company issued bonus shares on July 22, 2024 in the ratio of 1 Equity Share for every 2 existing Equity Shares held. The bonus issue comprised of 73,82,083 Equity Shares, hence increasing the total paid up share capital from 1,47,64,166 Equity Shares to 2,21,46,249 Equity Shares

C. **Appointment of Directors:**

- Mr. Suril Saumil Mehta - DIN: 09804792
- Hartmuth Udo Erich Fethke – DIN: 10697584

D. **Appointment of Key Managerial Personnel**

- Company Secretary: Tushar Janardan Lakhmapurkar
- Chief Financial Officer: Sumit Poddar

## CAPITALIZATION STATEMENT

The following table sets forth our capitalization and total debt as at June 30, 2024 (based on our Restated Financial Statements) and as adjusted to give effect to the Offer. This table should be read in conjunction with the 'Summary Financial Information', 'Risk Factors', 'Management's Discussion and Analysis of Financial Condition and Results of Operations' and "Other Financial Information" contained in the "Financial Information" on pages 68, 39, 278 and 277 respectively.

(₹ in Lakhs except ratio)

PARTICULARS	PRE-OFFER AS AT 30-06-2024	ADJUSTED FOR THE POST- OFFER
<b>Borrowings</b>		
Current borrowings (including current maturities of Long term Debt)	700.09/-	[•]
Non-current borrowings	556.88/-	[•]
<b>Total borrowings</b>	<b>1,256.97/-</b>	<b>[•]</b>
<b>Total Equity</b>		
Equity share capital*	738.21/-	[•]
Other Equity*	3787.99/-	[•]
<b>Total Equity</b>	<b>4526.20/-</b>	<b>[•]</b>
<b>Total Borrowings / Total Equity</b>		
	0.28	[•]
<b>Non-Current Borrowing/Total Equity</b>		
	0.12	[•]

\*These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2024 together with a brief description of certain significant terms of such financing arrangements.

A. The Promoter have not provided any material guarantees with respect to specified securities of the Company held by them.

Name of the Promoter	Amount of Guarantee as on March 31, 2024 (₹ in Lakhs)	Reason	Individual/entity in whose favour the guarantee has been provided.	Period
Keyur Girishchandra Shah	Nil	NA	NA	NA

B. SECURED LOANS:

### STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Category of borrowing	Sanctioned Amount (₹ in Lakhs)	Outstanding amount (₹ in Lakhs) as on [30 <sup>th</sup> September 2024] @	Rate of Interest	Tenure	Repayment Terms	Collateral / Asset Charged	Principal Terms and Conditions
Long Term Loan Axis Bank-9624-II	390/-	195.60/-	Repo rate + 2.25% p.a.	53 Months	7.20 Lacs (53 Monthly Installments)	*	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.</i>
Long Term Loan Axis Bank-8762-I	100/-	22.30/-	Repo rate + 2.25% p.a.	53 Months	1.85 Lacs (53 Monthly Installments)	*	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms</i>

							<i>Common for all the Facilities in Sanction Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.</i>
Long Term Axis Bank-3095-III	800/-	688.02/-	Repo rate + 2.25% p.a.	77 Mont hs	10.26 Lacs (77 Monthly Installme nts)	*	<b>Security:</b> Refer Note 1.  <b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.</i>
Demand Loan Axis Bank-FCY-JPY-9793#	1000/-	240/-	6 months FTP + 2%	12 Mont hs	Tranche amount as per term sheet	**	<b>Penalty:</b> in the event of non-payment of interest/ drawing over limit/DP, default Interest at 4.00% p.a. above applicable rate on the amount of overdue interest/drawings over limit/DP will be charged
Cash Credit-Short Term-5626	2000/-	783.58/-	Repo rate + 2.25% p.a.	12 Mont hs	-	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.</i>

Working Capital Demand Loan (WCDL)#	300/-	Not Utilized	Repo rate + 2.25% p.a.	12 Months	Tranche amount to be decided at the time of drawdown	**	<b>Penalty:</b> In the event of delay/Non submission of Stock/Book Debts Statements/QIS within stipulated period, Penal Charge of 1.00% p.a. above applicable interest rate/Commission on the Outstanding amount of Fund-Based Credit Facilities will be charged from the date of default.
Foreign Currency Demand Loan (FCDL)-USD#	1000/-	Not Utilized	6 months FTP + 2%	12 Months	Tranche amount as per term sheet	**	<b>Penalty:</b> in the event of non-payment of interest/ drawing over limit/DP, default Interest at 4.00% p.a. above applicable rate on the amount of overdue interest/drawings over limit/DP will be charged
Running Packing Credit (RPC)/Pre-Shipment Credit in FC	100/-	Not Utilized	INR Loan: Repo+2.25% p.a. FCY Loan: 3 M SOFR + 200 bps	12 Months	Usance upto 120 days	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.</i>
Foreign Bills Purchased/Discounted (FBP/FBD)/EBRD/PS CFC##	100/-	Not Utilized	INR Loan: Repo+2.25% p.a. FCY Loan: 3 M SOFR + 200 bps	12 Months	Usance upto 120 days	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction</i>



							Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.
Letter of Credit (LC)	300/-	62.35/-	1.00% p.a. + GST	12 Months	Usance upto 180 days	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction</i> Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.
SBLC for Buyer's Credit ###	100/-	Not Utilized	To be decided at the time of Drawdown	12 Months	Usance upto 180 days	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction</i> Ref: AXIS-00000142706-CBG/SEG/Vadodara2/2024-25 letter dated August 16,2024.
Bank Guarantee	50/-	38.55/-	1.00% p.a. + GST	12 Months	BG Period: 36 Months incl. Claim Period of 12 Months (For customs, 10 years)	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non-Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction</i> Ref: AXIS-

							00000142706- CBG/SEG/Vadodara2/ 2024-25 letter dated August 16,2024.
SBLC for Buyer's Credit-2#	400/-	Not Utilized	To be decided at the time of Drawdown	12 Mont hs	Usance upto 180 days	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non- Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction Ref: AXIS- 00000142706- CBG/SEG/Vadodara2/ 2024-25 letter dated August 16,2024.</i>
Loan Equivalent Risk (LER)	200/-	Not Utilized	As per Bank's Treasury	12 Mont hs	-	**	<b>Penalty:</b> Penal Charge of 1.00% p.a. of Interest rate/Commission from date of each Non- Financial default on the outstanding amount of Fund Based credit facilities will be applicable in the instance of any one of the conditions met as mentioned in <i>Terms Common for all the Facilities in Sanction Ref: AXIS- 00000142706- CBG/SEG/Vadodara2/ 2024-25 letter dated August 16,2024.</i>
<b>Total</b>	<b>3,940/-</b>	<b>2,030.40/-</b>					

#As a sublimit of Cash Credit Facility (Short term)

## As a sublimit of EPC

### As a sublimit of Letter of Credit (Inland/Import)

@As per Unaudited Books of Accounts as of 30th September 2024

\*The said loan primarily secured by hypothecation charge on entire movable fixed assets incl. P&M, F&F etc. both present & future. Also, collaterally secured by EM/RM on industrial property at 84/A/1 & 84/B/1, PO, Khakharia, Taluka Savli, Vadodara and by the personal guarantee of the Director Mr. Keyur Shah.

\*\*The said loan is secured by hypothecation of Company's entire current assets of the company both present as well as future, in addition by the personal guarantee of Mr. Keyur Shah and also collaterally secured against EM/RM on industrial property at 84/A/1 & B/1, PO, Khakharia, Taluka Savli, Vadodara.

Note: The above table does not include the bills discounted by the Company pertaining to customers receivables amounting to ₹ 6.14 crore which are on recourse to borrower (seller)

**C. UNSECURED LOANS AS ON SEPTEMBER 30, 2024:**

Category of borrowing	Sanctioned Amount (₹ in Lakhs)	Outstanding amount (₹ in Lakhs) as on date of September 30, 2024	Rate of Interest	Tenure	Repayment Terms	Collateral / Asset Charged	Principal Terms and Conditions
NA							

**D. GUARANTEES BY PROMOTER SHAREHOLDER:**

Name of the Promoter	Amount of the Guarantee as on September 30, 2024 (₹. In Lakhs)	Reason	Obligations of the Company (₹. In Lakhs)	Individual/entity in whose favor the guarantee has been provided.	Period	Financial implications in event of default	Security available	Consideration
Keyur Girishchandra Shah	4439	Guarantee against total Sanction Limit i.e. against Long term as well as Short term facilities	2030.40	Axis Bank	Until the closure of all loan's facility	In the event of default, the guarantee will get triggered.	No	**

\*The guarantee that has been given by Mr. Keyur Girishchandra Shah is against the total sanction limit (both long term as well as short term facility) by the company.

\*\*The company has provided commission to Mr. Keyur Girishchandra Shah against the guarantee provided by him.

Note: The above table does not include the bills discounted by the Company pertaining to customers receivables amounting to ₹ 6.14 crore which are on recourse to borrower (seller).

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*The details of outstanding litigations or proceedings relating to our Company and our Directors and our Promoter are described in this section in the manner as detailed below.*

Except as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus, there are no (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) disciplinary action including penalty imposed by the SEBI or stock exchange against our Promoter in the last 5 Financial Years, including outstanding action, (iv) claims related to direct and indirect taxes in a consolidated manner, (v) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board, in each case involving our Company, Promoter, and Directors (“**Relevant Parties**”) (vi) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 against our Company since its incorporation from the date of this Draft Red Herring Prospectus; (vii) pending proceedings initiated against our Company for economic offences; (viii) material frauds committed by or against our Company since its incorporation from the date of this Draft Red Herring Prospectus; (ix) defaults for non-payment of statutory dues; (x) fines imposed or compounding of offences against our Company since its incorporation from the date of this Draft Red Herring Prospectus; (xi) matters involving our Company pertaining to violations of securities law; and (xii) outstanding dues to material creditors and small scale undertakings.

For the purpose of (v) above, our Board in its meeting held on August 06, 2024 has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties, to be disclosed by our Company in this Draft Red Herring Prospectus:

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties other than (i) criminal proceedings, actions by regulatory authorities and statutory authorities, (ii) disciplinary actions including penalty imposed by SEBI or stock exchange against the Promoter in the last 5 Financial Years including outstanding action, and tax matters, would be considered ‘material’ if:

- a) The monetary amount of claim by or against the Relevant Parties in any such pending proceeding exceeds ₹12.06 Lakhs (i.e. 1% (one per cent) of the profit after tax of our Company as per the Restated Financial Statements of our Company for the last full Financial Year); or
- b) The outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no outstanding material dues to creditors or outstanding dues to small scale undertakings and other creditors.

For this purpose, our Board, in its meeting held on August 06, 2024 considered and adopted a policy of materiality for identification of material outstanding dues to creditors. Further, in terms of this Materiality Policy, outstanding dues to any creditors of our Company having monetary value which exceeds 5% (Five per cent) of trade payables as per the Restated Financial Statements of our Company as of June 30, 2024 shall be considered as material dues (“**Material Dues**”). For outstanding dues to any party which is a MSME, the disclosure will be based on information available with our Company regarding status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder, as has been relied upon by its Statutory Auditor. Details of outstanding dues to material creditors as required under the SEBI ICDR Regulations have been disclosed on our website at <https://yashhv.com/>.

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Red Herring Prospectus.

#### I. Litigation involving our Company

A. Litigation against our Company		
Sr. No.	Litigation Involving	No. of Proceedings
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities*	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Wilful Defaulter:	

	Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.
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<b>B. Litigation filed by our Company</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities <sup>1</sup>	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil

<sup>1</sup>The Regulatory or Statutory Authorities for the purpose of this Section include but are not limited to SEBI, RBI etc.

## II. Litigation involving Director/s of our Company

<b>A. Litigation against Director/s of our Company</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Wilful Defaulter: None of our Directors appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.	

<b>B. Litigations filed by our Director/s</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil

## III. Litigation involving our Promoter

<b>A. Litigation against our Promoter</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Disciplinary Action Including Penalty Imposed By SEBI/ Stock Exchanges Against Our Promoter in the last 5 Financial Years including Outstanding Action	Nil
f)	Wilful Defaulter: Our Promoter doesn't appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.	

<b>B. Litigations filed by our Promoter</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil

## CLAIMS RELATED TO DIRECT AND INDIRECT TAXES

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Company, Promoter and Directors:

<b>Nature of Proceedings</b>	<b>Number of cases</b>	<b>Amount involved*# (₹. in lakhs)</b>
<i>Against the company</i>		
Direct Tax (Income Tax)	Nil	Nil

Indirect Tax	3	216.77 <sup>(1)</sup>
<b><i>Filed by the company</i></b>	Nil	Nil
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>3</b>	<b>216.77<sup>(1)</sup></b>
<b><i>Against the Promoter and Directors</i></b>	Nil	Nil
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b><i>Against the Our Group Companies</i></b>		
Direct Tax (Income Tax)	1	0.85
Indirect Tax	1	0 <sup>(2)</sup>
<b>Total</b>	<b>2</b>	<b>0.85</b>

\*To the extent quantifiable

#Excludes any interest/penalty in relation to the proceedings

***(1) Material Tax Claim against the Company***

<b>Detailed subject matter</b>	Our Company has received a show cause notice dated September 19, 2023 from the Assistant Commissioner of CGST-Audit for the matters related to Input Tax Credit, Supplying of goods exported at zero rated, Supplying of the goods to SEZ, and other matters aggregating to an amount of GST Liability of ₹ 207.79 Lakhs plus interest of ₹ 13.15 Lakhs.  The Company is in the process of replying to the aforesaid show cause notice.
<b>Department</b>	CGST & Central Excise
<b>State in which the case is being filed</b>	Gujarat
<b>Amount Involved</b>	₹ 207.79 Lakhs
<b>Period</b>	July 2017 to March 2022
<b>Any interim order passed by the authority</b>	Not Applicable
<b>Current Status</b>	The matter is currently pending

***(2) Material Tax Claim against the Group Companies***

<b>Detailed subject matter</b>	The Company has received a show cause notice dated September 30, 2023 from the Assistant Commissioner of the State Tax for the matters related to reconciliation of GSTR-01 and GSTR-09, excess claim of ITC, under declaration of ineligible ITC and ITC claimed from cancelled dealers, return defaulters & tax non payers aggregating to an amount of GST Liability of ₹ 255.35 Lakhs excluding the amount of interest and penalty of ₹ 252.48 Lakhs and ₹ 25.53 Lakhs respectively.  The Company has replied to the show cause notice on October 05, 2023. The department after considering the reply filed, waived the amount of ₹ 255.35 Lakhs towards GST Liability and ₹ 25.53 Lakhs towards penalty and reduced the amount of interest partially to the tune of ₹ 38.18 Lakhs.
<b>Department</b>	GST Department
<b>State in which the case is being filed</b>	Gujarat
<b>Amount Involved</b>	₹ 38.18 Lakhs towards Interest
<b>Period</b>	July 2017 to March 2018
<b>Any interim order passed by the authority</b>	Not Applicable
<b>Current Status</b>	The matter is currently pending

#### IV. Litigation involving our Subsidiaries

As on date of this Draft Red Herring Prospectus, the Company has no Subsidiaries.

#### V. Disclosures pertaining to wilful defaulters and fraudulent borrower:

Neither our Company or the Promoter and nor our Directors are or have been classified as a wilful defaulter or as a fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

#### Material Developments since the last Balance Sheet Date

Except as mentioned under the section titled '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 278 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen any material developments, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our assets or our ability to pay material liabilities within the next 12 months.

#### Outstanding Dues to Creditors of our Company

In accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of 5% (five) percent of the trade payables of our Company as of the end of the most recent period covered in the Restated Financial Statements, i.e. ₹69.72 lakhs, as of June 30, 2024 ("**Material Creditors**").

The details of the total 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 on June 30, 2024 is as set forth below:

As of June 30, 2024, the total outstanding dues to such creditors by our Company was ₹ 1,394.41/- lakhs.

Details of outstanding dues owed as at June 30, 2024 to MSME and other creditors are set out below:

Particulars	No. of Creditors	Amount (₹ in Lakh)
Dues to micro, small and medium enterprises	32	102.63
Dues to Material Creditors	1	1,022.10
Dues to other creditors	111	269.68/-
<b>Total Trade Payable</b>	<b>144</b>	<b>1,394.41/-</b>

The details pertaining to amounts due towards the material creditors are available on the website of our Company at <https://yashhv.com/>.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, <https://yashhv.com/>, would be doing so at their own risk.

## GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, consents, licenses, registrations and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of all material approvals, consents, licenses, registrations and permits obtained by our Company for the purposes of undertaking the businesses and operations. Except as mentioned below no further material approvals are required to undertake the Offer. Additionally, unless otherwise stated herein, these approvals, consents, licenses, registrations and permits are valid as on the date of this Draft Red Herring Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For further details in connection with the applicable regulatory and legal framework, please refer to the section titled 'Key Industry Regulations and Policies' beginning on page 188 of this Draft Red Herring Prospectus.

Our Company has its business located at:

**Registered Office:** 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India.

**Corporate Office:** Office No. 603, 6th Floor, Ozone Complex, Sarabhai Compound, Dr. Vikram Sarabhai Marg, Subhanpura, Vadodara-390005 Gujarat.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### Incorporation Details

- a) The certificate of incorporation dated June 06, 2002 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli in the name of "Yash Highvoltage Insulators Private Limited."
- b) Fresh certificate of incorporation dated February 13, 2018 issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad, consequent upon change of name of the company from "Yash Highvoltage Insulators Private Limited" to "Yash Highvoltage Private Limited".
- c) Fresh certificate of incorporation dated March 07, 2018 issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad, consequent upon change of name from "Yash Highvoltage Private Limited" to "Yash Highvoltage Limited" on conversion from private limited company to public limited company.
- d) The Corporate Identification Number of our Company is U40109GJ2002PLC040833.

### Approvals for the Offer

#### 1. Corporate Approvals

- Our Board have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on August 06, 2024 authorized the Offer, subject to the approval of the shareholders and such other authorities as may be necessary.
- The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the EGM held on August 30, 2024 authorized the Offer.
- Our Board approved this Draft Red Herring Prospectus pursuant to its resolution dated October 15, 2024.

#### 2. In-Principle Approval from the Designated Stock Exchange

In-principle approval dated [●] from the BSE (SME Platform of BSE) for using the name of the exchange in its Draft Red Herring Prospectus for listing of the Equity Shares issued by our Company pursuant to the Offer.

#### 3. Agreements with NSDL and CDSL

- a) Our Company has entered into an agreement dated April 26, 2018 with the Central Depository Services (India) Limited and the Registrar and Share Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
- b) Similarly, our Company has also entered into an agreement dated May 09, 2018 with the National Securities Depository Limited and the Registrar and Share Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.



c) Our Company's International Securities Identification Number is INE00GK01023.

### Approvals/ Licenses related to our Business Activities

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Applicable Laws	Authority	Registration Number/Application No.	Date of Issue/ Date of Certificate	Date of Expiry
1)	MSME Registration-Udyam Registration	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small & Medium Enterprises	UDYAM-GJ-24-0005458	September 26, 2020	One-time registration
2)	Shops & Establishment Certificate	Gujarat Shops and Establishments Act, 2019	Vadodara Municipal Corporation	Application Id No. SHOP-IR-2024-09-17-0000002	September 23, 2024	--
3)	Importer Exporter Code	The Foreign Trade (Development and Regulation) Act, 1992	Foreign Trade Development Officer	3409000313	April 15, 2009	One-time registration
4)	ISO 9001:2015	NA	TUV SUD South Asia Private Limited	99 100 11067	August 21, 2024	August 04, 2027

### Tax related Approvals/ Licenses/ Registrations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, Government of India	AAACY1677Q	June 06, 2002	Valid till cancelled
2.	Tax Deduction Account Number	Income Tax Department, Government of India	BRDY00208F	Not Available	Valid till cancelled
3.	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 and Gujarat Goods and Services Tax Act, 2017	Government of India and Government of Gujarat	24AAACY1677Q2ZP	July 19, 2024	Valid till cancelled
4.	Professional Tax Enrolment Certificate (PTEC) (Form 4)	Department of Gujarat State Tax	PEP19090160524	December 25, 2012	Valid till cancelled
5.	Professional Tax Registration Certificate (PTRC)	Department of Gujarat State Tax	PEP19090160525	December 25, 2012	Valid till cancelled

**Industrial, Labour and Pollution Law related Approvals**

Sr. No	Description	Applicable Laws	Issued by	Registration Number	Date of Certificate	Date of Expiry
1.	License for Contract Labour (Regulation and Abolition) Act, 1970	Contract Labour (Regulation and Abolition) Act, 1970	Deputy Labour Commissioner Office	CLRA/License/CLRA/BRD/2024/CLL/604	September 25, 2024	September 30, 2025
2.	Approval for drawing the electric installation of 250 KVA Diesel Based Standby Generating set along with associated equipments	Central Electricity Authority (measures of safety and electricity supply) Regulations, 2010	Office of the Electrical Inspector	No/EI/Vad/Plan/52615/2021	August 23, 2021	Valid till cancelled
3.	License to operate as Factory	Factories Act, 1948	Directorate Industrial Safety & Health, Gujarat State	287/26915/2008	April 06, 2009	December 31, 2027
4.	Consolidated Consent and Authorization (CC&A)	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act-1981 and Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016	Gujarat State Pollution Control Board	Consent Order no. AWH-51350	January 10, 2022	September 30, 2025
5.	Registration under Employees' State Insurance	Employees' State Insurance Act, 1948	Employee State Insurance Corporation	38000460580000999	Not Available	Valid till cancelled
6.	Registration under Employees' Provident Fund Organisation	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	VDBRD0066402000	March 04, 2010	Valid till cancelled

## Intellectual Property related Approvals/Registrations

As on the date of this Draft Red Herring Prospectus, 4 Designs are registered in the name of the company under class 13-02 in respect of Power Transformer Bushing with the Controller General of Patents, Designs and Trade Marks.

Further, following are the details regarding the trademarks registered or objected with Registrar of Trademarks:

Sr. No.	Wordmark/ Label	Application Date	Trademark/ Application Number	Current Status	Class of Trademark	Period of Validity
1.	THINK TRANSFORMER BUSHINGS, THINK YASH HIGHVOLTAGE	September 20, 2024	6632997	Formality Check Pass	16	-
2.	THINK TRANSFORMER BUSHINGS, THINK YASH HIGHVOLTAGE	September 20, 2024	6632996	Formality Check Pass	37	-
3.	THINK TRANSFORMER BUSHINGS, THINK YASH HIGHVOLTAGE	September 20, 2024	6632995	Formality Check Pass	9	-
4.	THINK TRANSFORMER BUSHINGS, THINK YASH HIGHVOLTAGE	September 20, 2024	6632994	Formality Check Pass	7	-
5.	THINK TRANSFORMER BUSHINGS, THINK YASH HIGHVOLTAGE	September 20, 2024	6632993	Formality Check Pass	6	-
6.	POWERED BY INNOVATION, LED BY CONVICTION	September 20, 2024	6632992	Formality Check Pass	16	-
7.	POWERED BY INNOVATION, LED BY CONVICTION	September 20, 2024	6632991	Formality Check Pass	7	-
8.	PERFORMANCE BY POWERED INNOVATION	September 20, 2024	6632990	Formality Check Pass	16	-
9.	PERFORMANCE BY POWERED INNOVATION	September 20, 2024	6632989	Formality Check Pass	7	-
10.	YASH HIGHVOLTAGE	October 23, 2021	5185148	Registered	6	10 years
11.	YASH	October 23, 2021	5185144	Registered	6	10 years
12.	YASH HIGHVOLTAGE	October 23, 2021	5185149	Registered	7	10 years
13.	YASH HIGHVOLTAGE	October 23, 2021	5185150	Registered	9	10 years

14.	YASH	October 23, 2021	5185146	Registered	9	10 years
15.	YASH	October 23, 2021	5185147	Registered	37	10 years
16.	YASH HIGHVOLTAGE	October 23, 2021	5185151	Registered	37	10 years
17.		September 25, 2017	3643856	Objected	7	-

For details, please refer section titled “*History and Certain Other Corporate Matters – Other Agreements*”, “*Our Business – Intellectual Property*” and “*Risk Factors*” beginning on page 198, 167 and 39 respectively of this Draft Red Herring Prospectus.

#### Pending Approvals

Sr. No.	Nature of License/Application	Purpose	Authority to which application to be made	Date of Application
1	Registration under Employees’ Provident Fund Organisation	We have made an application for the change of name of the company from “Yash Highvoltage Insulators Private Limited” to “Yash Highvoltage Limited” in the records of the Employees’ Provident Fund Organization.	Regional Provident Fund Commissioner	April 19, 2024
2	Designs	We have made applications for registration of 5 designs under class 13 i.e., Equipment for production, distribution or transformation of electricity.	Controller of Patents & Designs	April 24, 2024

#### Domain Name

Sr. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name	Creation Date	Registry Expiry Date
1	<a href="https://www.yashhv.com/">https://www.yashhv.com/</a>	Registrar: GoDaddy.com, LLC  IANA ID:146	Registration Private	January 20, 2018	January 20, 2028

2	<a href="https://www.yashhv.in">https://www.yashhv.in</a>	Registrar: GoDaddy.com, LLC  IANA ID:146	Yash Highvoltage	January 20, 2018	January 20, 2027
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**Material licenses/ approvals for which the Company is yet to apply**

As on the date of this Draft Red Herring Prospectus, there are no Material licenses/ approvals for which the Company is yet to apply.

**Material Information in relation to our Material Subsidiary**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for Offer

#### *Corporate Approvals*

The Offer has been authorized by our Board pursuant to the resolution passed at its meeting dated August 06, 2024 and by the shareholders pursuant to the special resolution passed in its EGM dated August 30, 2024 under Section 62(1)(c) of the Companies Act, 2013. Further, our Board has taken on record the consents of the Promoter Selling Shareholder to participate in the Offer for Sale pursuant to the resolution dated October 14, 2024. This Draft Red Herring Prospectus has been approved by the Board of Directors of the Company pursuant to a resolution passed on October 15, 2024.

#### *Consent from the Promoter Selling Shareholder*

The Promoter Selling Shareholder have specifically authorized the inclusion of his portion of the Offered Shares as part of the Offer for Sale, as follows:

<i>Name of the Selling Shareholders</i>	<i>Aggregate number of Equity Shares being offered in the Offer for Sale</i>	<i>Date of Consent Letter</i>
Mr. Keyur Girishchandra Shah	11,36,000	October 14, 2024

The Promoter Selling Shareholder confirm that his portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the provisions of SEBI ICDR Regulations, to the extent applicable to it as on the date of this Draft Red Herring Prospectus.

#### *In-principle Approval*

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in the Draft Red Herring Prospectus/ Prospectus pursuant to an approval letter dated [●] BSE is the Designated Stock Exchange.

### Prohibition by SEBI or Other Governmental Authorities

We confirm that our Company, Directors, Promoter and Promoter Group, Promoter Selling Shareholder, persons in control of our Company are not prohibited from accessing or operating in the capital markets for any reason or restrained from buying, selling or dealing in securities, under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Red Herring Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

Neither of our Promoter, Promoter Group, Promoter Selling Shareholder, Directors or the person(s) in control of our Company, have ever been part of Promoter, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the under section titled “*Outstanding Litigations and Material Developments*” beginning on page 292 of this Draft Red Herring Prospectus.

### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoter and members of our Promoter Group and the Promoter Selling Shareholder are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### Prohibition by RBI

Neither our Company nor any of our Promoter, Promoter Selling Shareholder, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under section titled '*Outstanding Litigations and Material Developments*' beginning on page 292 of this Draft Red Herring Prospectus.

#### **Prohibition with respect to wilful defaulters or a fraudulent borrower**

Neither our Company, our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations.

#### **Directors associated with Securities Market**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoter or directors in the past five years immediately preceding the date of this Draft Red Herring Prospectus.

- **Eligibility for the Offer**
- Our Company is eligible in terms of Regulations 228 of SEBI ICDR Regulations, for this Offer.
  - i) Neither our Company, nor any of its Promoter, Promoter Group, Directors or Promoter Selling Shareholder are debarred from accessing the capital market by the SEBI.
  - ii) Neither our Promoter nor any of our Directors or persons in control of our Company is 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 the SEBI or any other governmental authorities as on the date of this Draft Red Herring Prospectus.
  - iii) None of our Promoter or Directors is declared as Fugitive Economic Offender under Fugitive Economic Offenders Act, 2018.
  - iv) Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our Directors, is a willful defaulter or a fraudulent borrower.
- Our Company is an "unlisted Issuer" in terms of the SEBI ICDR Regulations; and this Offer is an "Initial Public Offering" in terms of the SEBI ICDR Regulations.
- Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI ICDR Regulations, as we are an Issuer whose post Offer paid up capital is more than 10 crore rupees and upto 25 crore rupees and we may hence Offer Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "**SME Platform of BSE**").

#### **We confirm that:**

- i) In accordance with Regulation 260 of the SEBI ICDR Regulations, this Offer will be 100% underwritten and shall not restrict to the minimum subscription level. The Book Running Lead Manager to the Offer shall underwrite minimum 15.00% of the total Offer Size. For further details pertaining to said underwriting please refer to section titled '*General Information*' beginning on page 72 of this Draft Red Herring Prospectus.
- ii) In accordance with Regulation 268(1) of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to 50, otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within 2 (two) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 2 (two) Working Days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, and Regulation 269 of SEBI ICDR Regulations.
- iii) In terms of Regulation 246(5) of the SEBI ICDR Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Prospectus.
- iv) In accordance with Regulation 261 of the SEBI ICDR Regulations, we hereby confirm that, we have entered into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory market making for a minimum period of 3 years from the date of listing of Equity Shares on the SME Platform of BSE. For further details

of the arrangement of market making please refer to section titled 'General Information' beginning on page 72 of this Draft Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI ICDR Regulations as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated April 26, 2018 and National Securities Depository Limited dated May 09, 2018 for establishing connectivity.
2. Our Company has a website i.e. <https://yashhv.com/>

**We confirm that we comply with all the below requirements/ conditions so as to be eligible to be listed on the SME Platform of BSE:**

- 1) Our Company was originally incorporated as a private limited company under the Companies Act 1956 in the name and style of "Yash Highvoltage Insulators Private Limited" pursuant to certificate of incorporation dated June 06, 2002 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on February 05, 2018, the name of our Company was changed to "Yash Highvoltage Private Limited" vide a fresh Certificate of Incorporation dated February 13, 2018 issued by the Registrar of Companies, Ahmedabad. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on February 19, 2018, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Yash Highvoltage Private Limited" to "Yash Highvoltage Limited" vide a fresh certificate of incorporation dated March 07, 2018 issued by the Registrar of Companies, Ahmedabad, bearing CIN U40109GJ2002PLC040833.
- 2) The main objects of the Company as contained in the Memorandum of Association are as follows:
  - (a). To carry on the business of design, manufacture, engineering, conversion, reconditioning, repair, testing of extra high voltage products, used in power transmission and distribution.
  - (b). To carry on the business of design, development, proto typing of extra high voltage equipments, import, export, buying, selling of iron and steel, copper, brass, aluminum, and other ferrous as well as non-ferrous metals in semi and fully finished conditions, buying, selling and processing of insulating materials such as electrical porcelain, kraft paper, press board, epoxy resin, polyester, resin, plastics, capacitor tissue paper, transformer oil, silica, silicon rubber and other insulating polymers or respective substitutes or equivalents.
- 3) The present paid-up capital of the Company is ₹ 11,07.31 Lakhs comprising of 2,21,46,249 Equity Shares having face value of ₹ 5/- each and we are proposing Offer up to 75,76,000 Equity Shares of face value of ₹ 5/- each of the Company comprising a fresh issue of up to 64,40,000 Equity Shares of face value ₹ 5/- each and an offer for sale of up to 11,36,000 Equity Shares of face value ₹ 5/- each by the Promoter Selling Shareholder. Hence, our Post Offer Paid up Capital will be up to ₹ [●] Lakhs which will be less than ₹ 2,500 Lakhs.
- 4) Our Company confirms that it has track record of more than 3 years.
- 5) the Company has operating profit (earnings before interest, depreciation and tax) from operations (calculated as per the restated financial statements of the Company) for at least 2 out of 3 financial years preceding the application and has a net worth of at least ₹ 1 crore for 2 preceding financial years computed in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations:

(₹ in Lakhs)

Particulars	Financial year/Period ended			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Operating Profit (earnings before interest, depreciation and tax) from operations excluding other income	522.48	2,015.08	1,915.72	1,451.16
Net worth	4,526.20	4,213.45	3,208.21	2,450.65



- 6) The Net Tangible Asset\* based on Restated Financial Statements of the Company as on March 31, 2024 is ₹ 4,181.92 Lakhs. Therefore, the Company satisfies the criteria for Net Tangible Asset of ₹ 300.00 lakhs in last preceding (full) financial year.

*\*(Note: Net Tangible Asset = Total Net Worth – Intangible Asset – Intangible Asset under development)*

- 7) The leverage ratio of the Company as on March 31, 2024 is 0.17 & as on June 30, 2024 is 0.28 i.e., not more than 3:1
- 8) The Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the Company.
- 9) There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
- 10) All the securities of the Company (including shareholding of the Promoter) is in dematerialized form and the Company has entered into an agreement with both the depositories.
- 11) There is no material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority against the Promoter or companies promoted by the promoter by any stock exchange having nationwide trading terminals.
- 12) The Promoter or Directors are not promoter(s) or directors (other than independent directors) of compulsory delisted companies by exchange and there are no instances of applicability of consequences of compulsory delisting being attracted or being suspended from trading on account of non-compliance.
- 13) None of the directors are disqualified/ debarred by any of the regulatory authority.
- 14) There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the Company, Promoter/ promoting company(ies).
- 15) There has not been any change in name of the Company within the last 1 year.
- 16) The Company has a functional website i.e. <https://yashhv.com/>
- 17) The composition of board of the Company is in compliance with the requirements of Companies Act, 2013.
- 18) There has been no change in the Promoter of the Company in preceding one year from date of filing the application to BSE for listing under SME segment.

#### **Disclaimer Clause of SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”/ “BOARD”) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, (“SEBI ICDR REGULATIONS”) IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE. THE BOOK RUNNING LEAD MANAGER, INDORIENT FINANCIAL SERVICES LIMITED, HAS FURNISHED**

**TO SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 15, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS ; WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE OFFER IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING OFFER STATE AND CONFIRM AS FOLLOWS:**

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID OFFER.**
- 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 OFFER, PRICE JUSTIFICATION, THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE STOCK EXCHANGE/ BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE OFFER;**
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED 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 RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.****
- 3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE, SUCH REGISTRATION IS VALID.**
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITE TO FULFILL THEIR UNDERWRITING COMMITMENTS**
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
- 6) WE CERTIFY THAT REGULATION 237 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 PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**
- 7) WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 SHALL BE COMPLIED WITH.**
- 8) WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER.**

**WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER' 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 OFFER.**

- 9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER 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 MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE STOCK EXCHANGE MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION**
- 10) WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER 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 COMPLIED TO THE EXTENT APPLICABLE.**
- 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 ALL THE SHARES ISSUED IN DEMATERIALIZED FORM IS IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING 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 IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER EXPERIENCE AND THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS ENTERED 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 RED HERRING 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 (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)' AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015 -DETAILS ARE ENCLOSED IN "ANNEXURE A".**
- 17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE**

**FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS.**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE:**

- 1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING 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 RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE EQUITY SHARES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER HAVE BEEN GIVEN.**
- 3. WE CONFIRM THAT THE DRAFT RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE EQUITY SHARES OF THE ISSUER.**
- 5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISION TO SUB-REGULATION (2) OF REGULATION 236 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.**
- 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.**
- 7. WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PERCENT OF THE COMPLIANCE RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE DRAFT RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES - *NOT APPLICABLE*.**

**Note:**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

*All legal requirements pertaining to the Offer will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Ahmedabad, Gujarat in terms of Section 26, Section 32 and Section 33 of the Companies Act, 2013.*

**DISCLAIMER CLAUSE OF THE PROMOTER SELLING SHAREHOLDER**

**THE PROMOTER SELLING SHAREHOLDER WILL BE RESPONSIBLE FOR THE RESPECTIVE STATEMENTS CONFIRMED OR UNDERTAKEN BY HIM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO HIMSELF AND HIS RESPECTIVE PORTION OF THE OFFERED SHARES**

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will

be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

### Disclaimer Statement from our Company and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus, or in case of the Company, in any advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website <https://yashhv.com/> would be doing so at his or her own risk.

### Caution

The Book Running Lead Manager to the Offer accepts no responsibility, save to the limited extent as provided in the Offer Agreement entered between the Book Running Lead Manager to the Offer, Promoter Selling Shareholder and our Company on October 14, 2024 and the Underwriting Agreement dated October 14, 2024 entered into between the Underwriter, Promoter Selling Shareholder and our Company and the Market Making Agreement dated [●], 2024 entered into among the Market Maker, Book Running Lead Manager to the Offer and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the Offer 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 centers or elsewhere.

The Book Running Lead Manager to the Offer and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not 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 Underwriter 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 Offer.

### Statement on price information of past issues handled by Indorient Financial Services Limited:

Sr. No.	Issue Name	Board	Issue Size (₹ in crores)	Issue Price (in ₹)	Listing Date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]		
							30th calendar days from listing	90th calendar days from listing	180th calendar days from listing
1	Secmark Consultancy Limited	SME*	15.04	135	October 1, 2020	134	-53.52 [2.37]	-61.26 [23.04]	-57.63 [26.65]
2	eMudhra Limited	Main	412.79	256	June 1, 2022	271	-1.52 [-4.27]	40.66 [4.68]	22.13 [12.48]
3	Techknowgreen Solutions Limited	SME	16.71	86	September 27, 2023	87	99.01 [-4.49]	232.97 [7.54]	119.77 [10.15]
4	New Jaisa Technologies Limited	SME	39.93	47	October 5, 2023	71	186.17 [-1.61]	194.79 [10.85]	107.02 [14.92]

5	Canarys Automation Limited	SME	47.03	31	October 11, 2023	43.45	37.26 [-2.10]	38.23 [8.59]	5.81 [13.64]
6	Plada Infotech Services Limited	SME	12.35	48	October 13, 2023	59	-10.52 [-1.65]	-10.21 [9.46]	-39.48 [14.64]
7	Chatha Foods Limited	SME	33.39	56	March 27, 2024	73	73.21 [1.84]	76.89 [5.95]	109.82 [15.82]

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

\* migrated to main board

### Summary Statement of Disclosure

Financial Year	Total No. of IPOs	Total Amount of Fund Raised in Crores	No. of IPOs trading at discount-30th Calendar days from listing			No. of IPOs trading at premium-30 days from the listing			No. of IPOs trading at discount-180 days from the listing			No. of IPOs trading at Premium-180 days from the listing		
			Over 50%	Between 25% to 50%	Less than 25%	Over 50%	Between 25% to 50%	Less than 25%	Over 50%	Between 25% to 50%	Less than 25%	Over 50%	Between 25% to 50%	Less than 25%
2020-2021	1 [SME]*	15.04	1	-	-	-	-	-	1	-	-	-	-	-
2022-2023	1 [Main]	412.79	-	-	1	-	-	-	-	-	-	-	-	1
2023-2024	5 [SME]	149.41	-	-	1	3	1	-	-	1	-	3	-	1

\*migrated to mainboard

### Track Record of past issues handled by Indorient Financial Services Limited:

For details regarding track record of Book Running Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: <https://www.indorient.in/>

### Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India who are competent to contract under the Indian Contract Act, 1872 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, co-operative 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 Lakhs, and permitted Non-Residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Vadodra, Gujarat, only. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with BSE SME for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the

legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

#### **Disclaimer Clause of the SME Platform of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter dated [●] permission to this Company to use its name in this Draft Red Herring Prospectus as one of the Company's Equity Shares are proposed to be listed on the SME Platform of BSE. BSE has scrutinized this Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the Draft Red Herring Prospectus has been cleared or approved by BSE. BSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; or
- warrant that this Company's Equity Shares will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company.
- warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the Equity Shares are issued 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 Book Running Lead Manager to the Offer and the Designated Stock 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 on completion of Initial Public Offering have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any Equity Shares 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.
- 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 Draft Red Herring Prospectus or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- The Company has chosen the SME Platform of BSE 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 of BSE 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 ("**Securities Act**") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

### **Filing of Offer Documents with the Designated Stock Exchange/SEBI/ROC**

The Draft Red Herring Prospectus is being filed with SME Platform of BSE Limited, 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India. After getting in-principal approval from BSE, a copy of the Red Herring 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, Gujarat, Dadara Nagar Haveli at Ahmedabad.

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 (5) the SEBI ICDR Regulations. However, SEBI will not issue any observation on the Offer Document in terms of Regulation 246 (2) of the SEBI ICDR Regulations. Pursuant to Regulation 246(5) SEBI ICDR Regulations and SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the Registrar of Companies, Ahmedabad, Gujarat at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Ahmedabad-380013, Gujarat, India and will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>.

### **Listing**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. 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 (BSE SME).

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. If the permission to deal in and for an official quotation of the Equity Shares on the BSE SME is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus and the Promoter Selling Shareholder will be liable to reimburse our Company for such repayment of monies, on its behalf, with respect to its respective portion of the Offered Shares. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company, the promoter and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Three (3) Working Days of the Offer Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Two (2) Working Days from the Offer Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *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*
- *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, Promoter, Promoter Selling Shareholder, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Key Managerial Personnel, Banker to the Company; (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Offer, Public Offer Banker, Legal Advisor to the Offer and Sponsor Bank to act in their respective capacities have been obtained and shall be filed along with a copy of the prospectus with RoC, as required as required under section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, M/s. Shah Mehta & Bakshi, Chartered Accountants, Statutory Auditors holding peer reviewed certificate, have agreed to provide their written consent to the inclusion of their respective reports on "Statement of Possible Tax Benefits" relating to the possible tax benefits and Restated Financial Statements as included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus with the RoC.

## Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

1. Our Company has received written consent dated October 14, 2024 from the Statutory Auditors namely, M/s. Shah Mehta & Bakshi, Chartered Accountant to include their name as an "expert" as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations and as defined under Section 2 (38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements, dated October 14, 2024 and the Statement of Special Tax Benefits dated October 14, 2024, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.
2. Our Company has received a written consent dated August 10, 2024 from Trivedi Rajendrakumar Manubhai, an independent chartered engineer to include their name as required under the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered engineer in relation to the certificate dated August 10, 2024, certifying, inter alia, the details of the installed and production capacity of our current manufacturing facility.
3. Our Company has received a written consent dated October 14, 2024 from Mr. Chintan *Kishorbhai* Vaidya, an independent chartered engineer to include their name as required under the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered engineer in relation to cost assessment report dated October 14, 2024, certifying the estimated cost of setting up the Proposed Manufacturing Facility to be located at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat with respect to setting up a new factory to manufacture Resin Impregnated Paper/Resin Impregnated Synthetic transformer condenser graded bushings.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

## Underwriting Commission and Brokerage

The underwriting commission and the selling commission for the Offer are as set out in the Underwriting Agreement amongst the Company and Underwriter. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Offer Price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

## Previous Rights and Public Issues since the Last 5 Years

We have not made any rights and public issues in the past, and we are an "unlisted issuer" in terms of the SEBI ICDR Regulations, and this Offer is an "Initial Public Offering" in terms of the SEBI ICDR Regulations.

## Previous Issues of Shares otherwise than for Cash

Except as stated in the section titled '*Capital Structure*' beginning on page 84 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

### **Underwriting Commission, Brokerage and Selling Commission on Previous Issues**

Since this is the Initial Public Offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

### **Capital issue during the previous three years by our Company and listed subsidiaries during the last three Years**

Other than as disclosed in "*Capital Structure – Notes to the Capital Structure – Share Capital history of our Company*" on page 84, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus. Further, as on the date of this Draft Red Herring Prospectus, we do not have any Subsidiaries.

### **Promise Versus Performance for our Company**

Our Company is an "unlisted Issuer" in terms of the SEBI ICDR Regulations, and this Offer is an "Initial Public Offering" in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

### **Performance Vis-A-Vis Objects – Public/ Right Issue of our Company and / or Listed Subsidiary and Joint Venture / Associates of our Company**

Except as stated under section titled '*Capital Structure*' beginning on page 84 of this Draft Red Herring Prospectus our Company has not undertaken any previous public or rights issue.

### **Performance Vis-A-Vis Objects - Last Issue of Listed Subsidiary/ Joint Venture / Associate Companies**

We do not have any Subsidiaries and Joint Venture as on the date of this Draft Red Herring Prospectus.

### **Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Outstanding Convertible Instruments Issued by our Company**

Except as stated under section titled '*Capital Structure*' beginning on page 84 of this Draft Red Herring Prospectus our Company has not issued any debentures or bonds redeemable preference shares or other Outstanding Convertible instruments in the past.

### **Partly Paid-Up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Option to Subscribe**

Equity Shares being issued through this Draft Red Herring Prospectus can be applied for in dematerialized form only.

### **Stock Market Data for our Equity Shares**

Our Company is an "unlisted Issuer" in terms of the SEBI ICDR Regulations, and this Offer is an "Initial Public Offering" in terms of the SEBI ICDR Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

### **Mechanism for Redressal of Investor Grievances**

Our Company has appointed "Bigshare Services Private Limited" as the Registrar to the Offer, to handle the investor grievances in co-ordination with the Compliance Officer of our Company.

The agreement dated October 14, 2024 between the Registrar to the Offer and our Company provides for retention of records with the Registrar for a period of at least 3 years from the last date of dispatch of the letters of Allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to this Offer may be addressed to the Registrar to the Offer with a copy to the Compliance Officer, giving full details such as the name, address of the Applicant, number of Equity Shares applied for, UPI-ID (if applicable) amount paid on Application and the bank branch or Collection Center where the Application was submitted. We estimate that

the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be 7 Business Days of our Company from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on July 22, 2024 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

<b>Name of Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Suril Saumil Mehta	Chairman	Independent Director
Mr. Keyur Girishchandra Shah	Member	Managing Director
Mrs. Twinkle Keyur Shah	Member	Non-Executive Director

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on Application and the Designated Branches or the Collection Center of the SCSB 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 Application Amount was blocked.

The Applicant should give full details such as name of the First/ Sole Applicant, Application Form number, Applicant DP-ID, Client-ID, PAN, bank account number, UPI-ID, 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 Applicant 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 Offer or the SCSB in case of ASBA Applicants shall redress routine investor grievances within 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board meeting held on July 22, 2024. For further details, please refer to the section titled '*Our Management*' beginning on page 206 of this Draft Red Herring Prospectus.

Our Company has appointed Mr. Tushar Janardan Lakhmapurkar, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

**Mr. Tushar Janardan Lakhmapurkar**  
**Company Secretary and Compliance Officer,**  
**Yash Highvoltage Limited**  
A-4, Vastu Shilp Duplex,  
Gotri Vastu Ring Road,  
Opp. Ensign Project,  
Vadodara-390021, Gujarat.  
**Tel No.:** +91-74900 28892  
**E-mail:** cs@yashhv.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of Allotted Equity Shares in the respective beneficiary account or unblocking of funds, 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)

The Promoter Selling Shareholder have authorised the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of their respective portion of the Offered Shares.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the 3 years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

### **Disposal of Investor Grievances by Listed Companies under the Same Management as our Company.**

We do not have any listed company under the same management or any listed subsidiaries or any listed promoter.

### **Capitalisation of Reserves or Profits**

Save and except as stated in the section titled '*Capital Structure*' beginning on page 84 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last 5 years.

### **Revaluation of Assets**

Our Company has not revalued its assets since incorporation till the date of this Draft Red Herring Prospectus.

### **Tax Implications**

Investors who are Allotted Equity Shares in the Offer will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchange. For details, please refer the section titled '*Statement of Possible Tax Benefits*' beginning on page 126 of this Draft Red Herring Prospectus.

### **Purchase of Property**

Other than as disclosed in this Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired, which is to be paid, for wholly or partly, from the proceeds of the present Offer or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

### **Servicing Behavior**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **Payment or Benefit to Officers of our Company.**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled '*Our Management*' and '*Related Party Transactions*' beginning on page 206 and 236 respectively of this Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

### **Exemption from complying with any provisions of securities laws, if any:**

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

## SECTION XI: OFFER INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being issued, offered and Allotted pursuant to the Offer shall be 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 the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Offer.*

*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 this Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, Retail Individual Investors and Non-Institutional Investors making application of up to ₹5 lakhs, applying in public Offer shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Offer and Depository Participants have been also authorised to collect the Bid cum Application Forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.*

#### **The Offer**

The Offer comprises of a Fresh Offer and an Offer for Sale by the Promoter Selling Shareholder. The expenses for the Offer shall be shared amongst our Company and the Promoter Selling Shareholder in the manner specified in “*Objects of the Offer – Offer Expenses*” on page 102

#### **Ranking of the Equity Shares**

The Equity Shares being offered, allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of face value of ₹5/- each of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Offer will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company. For further details, see section titled “*Main Provisions of Articles of Association*” on page 364

#### **Authority for the Offer**

This Offer has been authorized by a resolution of the Board passed at their meeting held on August 06, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Offer by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on August 30, 2024.

Further, our Board pursuant to the resolution dated October 15, 2024, approved this Draft Red Herring Prospectus for filing with the Stock Exchange.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. Any dividends declared, after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale) in this Offer, will be payable to the Allottees who have been allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapters titled “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 237 and 364 respectively of this Draft Red Herring Prospectus.

## **Face Value, Offer Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 5/- and the Offer Price at the lower end of the Price Band is ₹ [●]/- per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ [●]/- per Equity Share ("Cap Price").

The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional newspaper, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Cap Price will not be more than 120% of the Floor Price. The Offer Price shall be determined by our Company (acting through the IPO Committee), in consultation with the BRLM after the Bid/ Offer Closing Date, on the basis of assessment of market demand for the Equity Shares issued and offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares of our Company, subject to applicable laws.

## **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI (LODR), 2015 and the Memorandum and Articles of Association of the Company.

## **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements has been signed by our Company with the respective Depositories and the Registrar to the Offer before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated Date May 09, 2018.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated Date April 26, 2018.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an Offer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement Offered through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders.

## **Joint Holders**

Subject to provisions of the Articles of Association of the Company, where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Offer is with the competent courts/authorities in Vadodara, Gujarat, India.

**The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the Registrar and Transfer Agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

## **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Offer capital of our Company, Promoters' minimum contribution as provided under the section titled "*Capital Structure*" on page 84 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Main provisions of the Articles of Association*" on page 364 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Withdrawal of the Offer**

In accordance with SEBI ICDR Regulations, the Company, in consultation with the BRLM, reserve the right to not proceed with the Offer, in whole or part thereof, to the extent of their respective portion of Offered Shares after the Bid/Offer Opening Date but before the Allotment. In the event that our Company, in consultation with the BRLM, decide not to proceed with the Offer, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer. In such event, the BRLM through the Registrar to the Offer shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. If the Offer is withdrawn after the designated date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

If our Company, in consultation with the Book Running Lead Manager withdraw the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of Equity Shares, our Company shall file a fresh draft red herring prospectus with the Stock Exchange

### **BID/OFFER PROGRAM**

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

<sup>1</sup>Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

<sup>2</sup>Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

<sup>3</sup>In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/deletion is placed in the Stock Exchange bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than



the Bid Amount, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Applicant shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and 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, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing 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 the UPI Circulars

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within the time prescribed under applicable law, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Promoter Selling Shareholder confirm that they shall extend such reasonable support and cooperation in relation to his portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI.

The SEBI is in the process of streamlining and reducing the post Offer timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above- mentioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

<b>Bid/Offer Period (except the Bid/Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time (“IST”)
<b>Bid/Offer Closing Date*</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts)–For Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹ 5 Lakhs)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST

Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹ 5 Lakhs)	Only between 10.00 a.m. and up to 12.00 p.m. IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories <sup>#</sup>	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. and up to 5.00 p.m. on Bid/ Offer Closing Date

\*\*UPI mandate end time and date shall be at 5:00 p.m. on Bid/ Offer Closing Date.

<sup>#</sup>QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

**On the Bid/Offer Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchange. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchange may be taken Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of ten Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

## Minimum Subscription

This Offer is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company, to the extent applicable, shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law.

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Offer through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268 of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## Migration to Main Board

*As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:*

*a. If the Paid-up Capital of our Company is likely to increase above ₹ 2500 Lakhs by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

*b. If the paid-up Capital of our company is more than ₹ 1000 Lakhs but below ₹ 2500 Lakhs, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

## Market Making

The Equity Shares issued and transferred through this Offer are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to section titled “General Information” beginning on page 72 of this Draft Red Herring Prospectus.

## Arrangements for disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of 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.

### **Option to receive Securities in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange. Bidders will not have the option of Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

### **Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer 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 Offer of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Offer of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post-Offer paid capital is more ₹ 1,000 Lakhs and up to ₹ 2,500 Lakhs. Our Company shall Offer equity shares to the public and propose to list the same on the SME Platform of the BSE Limited. For further details regarding the salient features and terms of this Offer, please refer to the chapter titled "Terms of the Offer" and "Offer Procedure" beginning on pages 317 and 329 respectively of this Draft Red Herring Prospectus.

The Offer of up to 75,76,000 Equity Shares of face value of ₹5/- each fully paid (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a share premium ₹ [●] per Equity Share) aggregating up to ₹[●] Lakhs ("The Offer") comprising a Fresh Issue of up to 64,40,000 equity shares of face value of ₹5/- each fully paid aggregating upto ₹ [●] Lakhs and an Offer for Sale of up to 11,36,000 Equity shares of face value of ₹5/- each fully paid aggregating up to ₹ [●] Lakhs by the Promoter Selling Shareholder, [●] Equity Shares of ₹ [●] each will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and a Net Offer to public of [●] Equity Shares of face value of ₹5/- each fully paid up is hereinafter referred to as the Net Offer. The Offer and the Net Offer will constitute [●] % and [●] % respectively of the post offer paid up Equity Share Capital of our Company. The Offer is being made through the Book Building Process.

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allotment/allocation	Upto [●] Equity Shares.	Not more than [●] Equity Shares.	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non- Institutional Bidders.
Percentage of Offer Size available for allocation	[●] % of the Offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, upto 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 15% of the Net Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation	Not less than 35% of the Net Offer or the Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation

<p>Basis of Allotment/allocation if respective category is oversubscribed <sup>(3)</sup></p>	<p>Firm Allotment</p>	<p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of QIB Portion (of upto [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.</p>	<p>The allotment to each Non-Institutional Bidders shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, in accordance with the conditions specified in the SEBI ICDR Regulations subject to:</p> <p>a) one third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Biddings more than ₹ 2 Lakhs and up to ₹10 Lakhs;</p> <p>b) two third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Bidding more than ₹10 Lakhs</p> <p>Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other category.</p>	<p>Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, section titled “Offer Procedure” on page 329.</p>
<p>Mode of Allotment</p>	<p>Compulsorily in dematerialized mode</p>			

Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount Exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Net Offer (excluding the Anchor portion), subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Net Offer (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.
Who can apply <sup>(4)</sup> <sup>(5)</sup> <sup>(6)</sup>		Public financial institutions of the Companies Act, scheduled commercial banks, multilateral and bilateral development financial institutions, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 2500 lakhs, pension funds with minimum corpus of ₹ 2500 lakhs, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies, and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI.	Resident Indian individuals, eligible NRIs and HUFs (in the name of the karta)

Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(7)</sup>
Mode of Bid	Only through the ASBA process (except for Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism.

*This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

<sup>(1)</sup>Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For details, see “Offer Procedure” on page 329.

<sup>(2)</sup>In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post-Offer paid-up Equity share capital of the Company. This Offer is being made through the Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations. For further details, please see “Terms of the Offer” on page 317.

<sup>(3)</sup>Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

<sup>(4)</sup>In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

<sup>(5)</sup>Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the members of the Syndicate, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

<sup>(6)</sup>Bids by FPIs with certain structures as described under “Offer Procedure – Bids by FPIs” on page 329 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) may be proportionately distributed.

<sup>(7)</sup>Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under section titled as “Offer Procedure” on page 329 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.



## OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Offer prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – 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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Offer; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022, SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard from time to time (“UPI Circulars”) has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. For details on the phased implementation of UPI as a payment mechanism, see – “Phased Implementation of UPI as per UPI Circular” below on page 437. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5 Lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Registrar and SCSBs will comply with any additional circulars or other Applicable Law, and the instructions of the BRLM, as may be issued in connection with this circular. Accordingly, Stock Exchange shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the revised timeline of T+3 days had been made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“T+3 Notification”). The Offer has been undertaken pursuant to the processes and procedures as notified in the T+3 Notification under Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

*Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, the Promoter Selling Shareholder and BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and BRLM would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Red Herring Prospectus.*

*This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.*

## **PHASED IMPLEMENTATION OF UPI AS PER THE UPI CIRCULAR**

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public Offer of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to the mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure a complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment 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 is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediaries and use his/her UPI ID for the purpose of blocking 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, and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Furthermore, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

**Phase III:** The commencement period of Phase III is notified pursuant to SEBI press release bearing number 12/2023 and as per the SEBI Circular No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, where the revised timeline of T+3 days shall be made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures as notified in the T+3 Notification under Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for the redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI UPI Circular include the 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 not later than one 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. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post-issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issuer shall also provide the facility to make applications using the UPI Mechanism. The Issuer will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate the collection of requests and/or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

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 make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and provide written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to the Offer and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the BRLM.

## **BOOK BUILDING PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via the book-building process.

The allocation to the public will be made as per Regulation 253 of SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under- subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Accordingly, we have allocated the Net Offer i.e., not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders and not less than 15% of the Net Offer shall be available for allocation to Non institutional bidders and not more than 50% of the Net Offer shall be allocated on a proportionate basis to QIBs.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under- subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchange.

***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The***

***Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.***

***Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021 and September 17, 2021.***

## **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders) must provide bank account details and authorization by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centers only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. UPI Bidders using UPI Mechanism, will be required to submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIIs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investors**	[●]
Resident Indians, including resident QIBs, Non-Institutional Investors, UPI Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FPIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	[●]

\*Excluding electronic Bid cum Application Form

\*\* Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit / deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

*Designated Intermediaries shall submit Bid cum Application Forms to SCSBs only.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For applications submitted by Investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
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<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with the use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

The Stock Exchange shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than 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.

For UPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Banker to the Offer. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Offer for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, it has been mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹5 lakhs and NII & QIB bids above ₹2 lakhs through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchange and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchange 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 Lead Manager 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.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Stock exchange(s) shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and resubmission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID / Client ID or Pan ID (Either DP ID / Client ID or

Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

**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 unless so registered, 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Participation by the Promoter and Members of the Promoter Group, the BRLM, associates and affiliates of the BRLM and the Syndicate Members and the persons related to the Promoter/Promoter Group/BRLM and the Syndicate Member.

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any persons related to the BRLM can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLM;
- (ii) insurance companies promoted by entities which are associate of the BRLM;
- (iii) AIFs sponsored by the entities which are associate of the BRLM; or
- (iv) FPIs other than individuals, corporate bodies and family offices which are associate of the BRLM; or
- (v) pension funds sponsored by entities which are associate of the BRLM.

For the purposes of the above, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoter or Promoter Group”:

- a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group;
- b) veto rights; or
- c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an “associate of the BRLM” if:

- a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- c) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

The Promoter and the members of the Promoter Group, except to the extent of their respective Offered Shares, will not participate in the Offer. Further, persons related to our Promoter and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

#### **Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCsBs (via Internet Banking) and BSE Limited (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts / societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and / or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹ 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of ₹ 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;
- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;



- Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

- Minors (except through their Guardians)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

### **MAXIMUM AND MINIMUM APPLICATION SIZE**

#### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000/-. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000/-.

#### **2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000/- and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000/- for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### **METHOD OF BIDDING PROCESS**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Vadodara Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a. The Bid/Offer Period shall be for a minimum of three Working Days and shall not exceed ten Working Days. The Bid/Offer Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Vadodara Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the BRLM.
- b. During the Bid/Offer Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to

register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder / Applicant at or above the Offer Price will be considered for allocation / Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d. The Bidder/Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “*Buildup of the Book and Revision of Bids*”.
- e. Except in relation to the Bids received from the Anchor Investors, the BRLM the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- f. The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid / Offer Period i.e., one working day prior to the Bid / Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g. Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism – Terms of payment and payment into the Escrow Accounts” in the section “*Offer Procedure*” beginning on page 329 of this Draft Red Herring Prospectus.
- h. Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal / failure of the Offer or until withdrawal / rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal / failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price subject to minimum of 105% and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side i.e., the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands then the minimum application lot size shall be decided based on the price band in which the higher price falls.
- b. Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at the Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

**Participation by Associates / Affiliates of BRLM and the Syndicate Members:**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe to the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoter, and Promoter Group can apply in the Offer under the Anchor Investor Portion.

**Option to Subscribe to the Offer:**

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on the allotment, shall be traded on the Stock Exchange in the Demat segment only.
- c) A single application from any investor shall not exceed the investment limit / minimum number of Equity Shares that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law.

**Information for the Bidders:**

1. Our Company and the BRLM shall declare the Offer Opening Date and Offer Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be

rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his / her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID, and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below:

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹ 200 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹ 200 Lakhs but up to ₹ 2,500 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹ 2,500 Lakhs i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹ 2,500 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2,500 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid / Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid / Offer Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid / Offer Closing Date. If the Offer Price is lower than the Anchor Investor

Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. 50% of Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment and remaining shall be locked in for 90 Days from the date of allotment.
11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
12. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of the Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FPI after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 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 Offer or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or

proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event 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.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3<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 Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUF'S:**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis

and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Offer only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- Equity shares of a company: the least of 10%\* of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 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
- The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 Lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 Lakhs or more but less than ₹ 2,50,00,000 Lakhs.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- With respect to Bids made by provident funds with a minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form.
- With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act,

2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.

- Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹2500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹2500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments company cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of RBI, if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services; or (iv) make any investment in a Category III AIFs and any investment by a bank's subsidiary in a Category III AIF shall be restricted to the regulatory minima prescribed by SEBI. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

The banking company is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 as amended; and (iii) investment of more than 10% of the paid-up capital / unit capital in a Category I AIF or Category II AIF.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account



shall be used solely for the purpose of making Bid cum application in public Offers and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE OFFER:**

- Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
- The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders:**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Offer price of ₹ [●]/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

#### **Payment Mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal / failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a Public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018; Retail Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of

Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “Yash Highvoltage Limited Anchor– Resident Escrow Account”
- b. In case of Non-Resident Anchor Investors: — “Yash Highvoltage Limited Anchor– Non-Resident Escrow Account ”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

**Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.
3. On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in this Draft Red Herring Prospectus.
4. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded during the Bid/Offer period till 5.00 p.m. on the Bid/ the Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.
5. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a. the applications accepted by them,
  - b. the applications uploaded by them
  - c. the applications accepted but not uploaded by them or
  - d. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts
6. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to;
  - a. The applications accepted by any Designated Intermediaries
  - b. The applications uploaded by any Designated Intermediaries or
  - c. The applications accepted but not uploaded by any Designated Intermediaries
7. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer 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 Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
8. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol

2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchange shall uniformly prescribe character length for each of the above-mentioned fields.*

9. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
10. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
11. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
12. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
13. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
14. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and / or the Book Running Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
15. The Designated Intermediaries will be given time till 5.00 p.m. on the Bid / Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer 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.
16. The SCSBs shall be given one day after the Bid / Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
17. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Build of the Book**

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid / Offer Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid / Offer Period.

### **Withdrawal of Bids**

- a. RIIs can withdraw their Bids until Bid / Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid / Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b. The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **Price Discovery and Allocation**

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the issuer, Bidders may refer to the RHP.
- e. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f. Allocation to Anchor Investors shall be at the discretion of our Company in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

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

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the

desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Offer Price and cut-off.

Bids are valid Bids and are considered for allocation in the respective categories.

### **Signing of Underwriting Agreement and Registering of Red Herring Prospectus / Prospectus with ROC**

Our company has entered into an Underwriting Agreement dated October 14, 2024.

- a. A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 26 & 32 of Companies Act, 2013.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Draft Red Herring Prospectus with the ROC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Offer advertisement, we shall state the Bid Opening Date and the Bid / Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

### **Advertisement Regarding Offer Price and Prospectus:**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid / Offer period and withdraw their Bids until Bid/Offer Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the

beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only.
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2 Lakhs/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

**Other instructions for the Bidders Joint Bids****Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form / Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

## **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Bidders should mention his/her PAN allotted under the IT Act. Bid cum Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid cum Application is liable to be rejected on this ground. Our Company/Registrar to the Offer, Book Running Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Bidder.

**Our Company/Registrar to the Offer, Book Running Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Bidder.**

## **Investor Grievance**

In case of any pre-Offer or post Offer related problems regarding demat credit / refund orders / unblocking etc. the Investors can contact the Compliance Officer of our Company.

## **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

## **Submission of Bids**

- a. During the Bid / Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b. In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c. For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Bidder, the Company in consultation with the Book Running Lead Manager may reject Bid cum Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Investors, Retail Individual Investors who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RIIs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

## **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;



- The amounts mentioned in the Bid cum Application Form / Application Form does not tally with the amount payable for the value of the Equity Shares Bid / Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest / money order / postal order / cash / cheque / demand draft / pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid / Offer Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account numbers;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchange;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form / Application Form. Bids not duly signed by the sole / First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other

category or combination of categories at the discretion of the Issuer in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

- In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **Flow of Events from the closure of Bidding period (T day) till Allotment:**

- On T day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- If RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below.

### **Process for generating list of Allottees:**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of Allottees to Applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3<sup>rd</sup> and 5<sup>th</sup> application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the RTA will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the RTA will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders:**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to the SEBI ICDR Regulations or RHP/ Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- 1) In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above Offer Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- 2) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. Allotment to Anchor Investor (If Applicable)**

- a. Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹200 Lakhs;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹200 lakhs and up to ₹2500 lakhs subject to minimum allotment of ₹100 lakhs per such Anchor Investor; and
    - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees

per such investor.

- b. A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c. **In the event that the Offer Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be is to such Anchor Investors.

d. **In the event the Offer Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e. **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:**

In the event of the Offer Being Over-Subscribed, the issuer may finalise the Basis of Allotment in consultation with the BSE SME Platform (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b. The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c. For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d. If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2 Lakhs Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director/Managing Director of BSE Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

**Issuance of Allotment Advice:**

- 1) Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Company shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been allotted Equity Shares in the Offer.

- 2) The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- 3) Company will: (i) complete the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful Bidder's Depository Account within 2 working days of the Offer Closing date. The Company also ensures the credit of shares to the successful Bidders Depository Account is completed on the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the Company.
- 4) The Company will issue and dispatch letters of allotment/or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

**Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid /Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

**Instructions for Completing the Bid Cum Application Form:**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public Offers using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an Offer 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 Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016.

**Bidder's Depository Account and Bank Details:**

**Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.**

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

**Submission of Bid Cum Application Form:**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

**Communications:**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post Offer 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 BSE SME Platform where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) working days of the Offer 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 Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

**Impersonation:**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who—**

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud.

**Undertakings by Our Company:**

We undertake as follows:

1. That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Offer Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That no further Offer of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Offer after the Bid / Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre-Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Offer;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.
11. That the Promoter' contribution in full, if required, shall be brought in advance before Offer opens for subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on Bidders in accordance with applicable provisions under SEBI ICDR Regulations;
12. That funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
13. 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; and
14. That it shall comply with such disclosure and account norms specified by SEBI from time to time.

**Undertaking by the Promoter Selling Shareholder:**

The Promoter Selling Shareholder, specifically undertake and/or confirm the following solely in respect to itself as a Promoter Selling Shareholder and its respective portion of the Offered Shares:

- a. it is the legal and beneficial holder and has full title to its respective portion of the Offered Shares;
- b. its respective portion of the Offered Shares shall be transferred pursuant to the Offer, free and clear of any encumbrances;
- c. it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer; and
- d. it shall not have recourse to the proceeds from the Offer for Sale until receipt by our Company of the final listing and trading approvals from the Stock Exchange.

**Utilization of Offer Proceeds:**

The Board of Directors of our Company certifies that:

1. All monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer 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 Offer, 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. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
5. Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

**Equity Shares in Dematerialized Form with NSDL or CDSL:**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Tripartite Agreement dated Date May 09, 2018 between NSDL, our Company and Registrar to the Offer; and
- b. Tripartite Agreement dated Date April 26, 2018 between CDSL, our Company and Registrar to the Offer.

The Company's equity shares bear an International Securities Identification Number INE00GK01023.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “**FDI Policy**”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a Non-Resident does not require the prior approval of the RBI, provided that:

- i) The activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SAST Regulations;
- ii) The Non-Resident shareholding is within the sectoral limits under the FDI Policy; and
- iii) The pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company. For details, please refer to the section titled ‘*Offer Procedure*’ beginning on page 329 of this Draft Red Herring Prospectus.

### Foreign Exchange Laws

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017.

Foreign investment in this Offer shall be on the basis of the FEMA Rules.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government.

Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“**US Securities Act**”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “**US Persons**” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “**Prospectus Directive**”) has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Offer.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

*THE COMPANIES ACT, 2013  
(COMPANY LIMITED BY SHARES)  
ARTICLES OF ASSOCIATION  
OF*

*YASH HIGHVOLTAGE LIMITED*

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on April 19, 2024. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

1. The regulations contained in Table 'F' of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles

### INTERPRETATION

2. In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:
  - a) **"The Company"** or **"This Company"** means **YASH HIGHVOLTAGE LIMITED**.
  - b) **"The Act"** means the Companies Act, 2013 including any statutory amendments thereto and the rules and Schedules made there under, and notified from time to time.
  - c) **"These Articles"** or **"Articles"** means Article of Association of the Company as originally framed or altered from time to time by Special Resolution or applied in pursuance of any previous Company law or of this Act.
  - d) **"Auditors"** means and include those persons appointed as such for the time being by the Company.
  - e) **"Beneficial Owner"** means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.
  - f) **"Board"** or **"Board of Directors"** means the collective body of the Directors of the Company, as constituted from time to time, in accordance with Law, and the provisions of these Articles.
  - g) **"Board Meeting"** means any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with Law and the provisions of these Articles;
  - h) **"Capital"** means the share capital for the time being raised or authorized to be raised, for the purpose of the company.
  - i) **"The Chairman"** means the Chairman of the Board of Directors for the time being of the Company.
  - j) **"Charge"** means an interest or lien created on the property or assets of a Company or any of its undertakings or both as security and includes a mortgage.
  - k) **"Committees"** means committees constituted by the Board of Directors of the Company from time to time;
  - l) **"Debentures"** includes debenture-stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the company or not.

- m) **“Depositories Act”** means the Depositories Act, 1996 and includes any statutory modification(s) or re-enactment thereof for the time being in force.
- n) **“Depository”** means a Depository as defined in clause (e) sub- section (1) of section 2 of the Depositories Act, 1996.
- o) **“Director”** means a director appointed to the Board of a company.
- p) **“Dividend”** includes any interim dividend.
- q) **“E-voting”** means voting by electronic means as prescribed under the Act.
- r) **"Employees' Stock Option"** means the option given to the directors (except Independent Directors), officers or employees of a company, or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares at a future date at a pre-determined price
- s) **“Equity Share Capital”** means the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis;
- t) **“Executor”** or **“Administrator”** means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
- u) **"Legal Representative"** means a person who in law represents the estate of a deceased Member.
- v) **“Members”** in relation to a Company, means;
  - A. The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
  - B. Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;
  - C. Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a Depository.
- w) **“Meeting”** or **“General Meeting”** means a meeting of the members of the Company.
- x) **“Annual General Meeting”** means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.
- y) **“Extraordinary General Meeting”** means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.
- z) **“Month”** means a calendar month.
- aa) **“National Holiday”** means and includes a day declared as National Holiday by the Central Government.
- bb) **“Office”** means the registered office for the time being of the Company.
- cc) **“Ordinary or Special Resolution”** means an ordinary resolution, or as the case may be, special resolution referred to in Section 114 of the Act.
- dd) **“Paid-up share capital”** or **“share capital paid up”** means such aggregate amount of money credited as paid up as its equivalent to the amount received as paid up in respect of shares issued and also includes any

amount credited as paid up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.

- ee) **“Proxy”** means an instrument whereby any person is authorized to attend a meeting and vote for a member at the general meeting on a poll and includes attorney duly constituted under the power of attorney.
  - ff) **“Register of Beneficial Owners”** means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode
  - gg) **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88 of the Act and includes Register of Beneficial Owners.
  - hh) **“The Registrar”** means the Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar, or an Assistant Registrar, having the duty of registering Companies and discharging various functions under the Act.
  - ii) **“The Company’s Regulations”** means the regulations for the time being for the management of the Company.
  - jj) **“Key managerial personnel”**, in relation to a Company, means –
    - A. The Chief Executive Officer or the Managing Director or the Manager;
    - B. The Company secretary;
    - C. The Whole time director;
    - D. Chief Financial Officer;
    - E. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board;
    - F. Such other officer as may be prescribed under the Act;
  - kk) **“Company Secretary”** or **“Secretary”** means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act.
  - ll) **“Security”** means Shares, Debentures and/or such other securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956
  - mm) **“Share”** means a share in the share capital of a Company and includes stock
  - nn) **“The Seal”** means the common seal of the Company.
  - oo) **“The Statutes”** means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
  - pp) **“Year”** and **“Financial Year”** “Years” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2 (41) of the Act.
  - qq) Words importing the **singular number** include, where the context admits or requires, the plural number and vice versa.
  - rr) Save as aforesaid, **words or expressions contained in these Articles shall bear** the same meaning as in the Act or any statutory modifications thereof for the time being in force.
- (i) 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.

## CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The Authorised Share Capital of the Company Shall be of such amount as may be mentioned in the Capital Clause of the Memorandum of Association of the Company from time to time.
4. The Company in General Meeting may from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified rights to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Sections 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.
5. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
  - (i) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
    - (a) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or lessor days as may be prescribed in the Act and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - (b) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right; (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;
  - (ii) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or
  - (iii) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, subject to and in accordance with the Act and the Rules.

Nothing in this Article shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

6. Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

7. On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect:-
  - (i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
  - (ii) no such shares shall be redeemed unless they are fully paid.
  - (iii) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the shares capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
8. The Company may (subject to the provisions of Sections 55 and 66 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share premium Account in any Manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called upon against or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
9. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
10. The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.
11. The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.
12. Subject to the provisions of section 61 of The Act, the Company in General Meeting may from time to time sub-divide or consolidated its shares, or any of them, and the resolution whereby any shares sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some reference or special advantages as regards dividend, capital or otherwise over or as compared with the others or other, Subject as aforesaid, the Company in general Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its shares capital by the amount of the shares so cancelled.

#### **AUTHORISING COMPANY TO BUY BACK ITS OWN SHARES**

13. 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.

#### **SHARE AND CERTIFICATES AND VARIATION OF RIGHTS**

14. 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 and in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section the Act) and at such time as they may from time to time think fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors thinks fit, and may issue ad allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.



- (i) Unless the shares have been issued in dematerialized form in terms of applicable laws, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
  - (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (iv)
  - (a) Where a new certificate has been issued in pursuance of this Articles, particulars of every such share certificate shall be entered in a Register of renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes in the Register of Members by suitable cross reference in the “Remarks” column.
  - (b) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal or the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that, in respect of a 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 of shares to one or several joint holders shall be a sufficient delivery to all such holder.

15.

- (i) If any share certificate be worn out, defected, 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 to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

(ii) The provisions of this Articles shall mutatis mutandis apply to debentures of the company.

16. 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 recognise (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 recognised in accordance with the Act) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. If any shares stands in the names of two or more persons, the person first named in the register shall be regards receipt of dividends or bonus or service of notice and all or any other matters connected with the company, except voting at meetings be deemed the sole holder thereof, but the joint holders of the share, shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the company regulations.
17. Except as ordered by a Court of competent jurisdiction or as by law required, the company shall not bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any rights in respect of a share other than absolute rights thereto, in accordance with these Article, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
18. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
19. None of the funds of the company shall be applied for the purchase of any share of the company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the company or in its holding company save as provided by section 67 of the Act.
20.
  - (i) 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 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.

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.

#### **DEMATERIALIZATION OF SECURITIES**

21. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.
22. The Board or any Committee thereof shall be entitled to dematerialize Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended. The provisions of this Section will be applicable in case of such Securities as are or are intended to be dematerialized.
23. Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act,

1996, and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.

24. If a person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.
25. All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owners.
26.
  - (i) .Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.
  - (ii) ii. Save as otherwise provided in sub-clause above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
  - (iii) iii. Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.
27. Notwithstanding anything to the contrary contained in these Articles, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode or by delivery of floppies or discs.
28. Nothing contained in Section 56 of the Act or anything to the contrary contained in these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
29. Notwithstanding anything to the contrary contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.
30. Notwithstanding anything to the contrary contained in these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to securities held with a Depository.
31. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

#### **UNDERWRITING AND BROKERAGE**

32. Subject to the provisions of section 40 of the Act:
  - (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.

33. The company may pay a reasonable sum for brokerage.

### **CALLS ON SHARES**

34.

- (i) 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 such other per cent. determined the Board or prescribed under applicable law) or be payable at less than one month or such other period prescribed under applicable law 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.

35. 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.

36. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

37.

- (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.

38.

- (i) 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.

39. The Board

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

### **LIEN**

40. The company shall have a first and paramount lien:

- (a) upon all share/debenture (not being a fully paid share/debenture), (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed

time, in respect of that share/debenture; and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.

- (b) Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.
- (c) The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

41. 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.

42.

- (i) To give effect to any such sale, the Board may authorise 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.

43.

- (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.

#### **FORFEITURE OF SHARES**

44. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

45. 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.

46. 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. Such forfeiture shall include all dividends declared in respect of forfeited shares and not actually paid before the forfeiture.

47. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.
48. The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in all claims and demands against the Company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved.
- 49.
- (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.
- 50.
- (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 (calls, installments, interest and expenses) which, at the date of forfeiture, were presently payable by him to the company in respect of the shares and Board may enforce the payment thereof or any part thereof, without any deduction or allowance for the value for the shares at the time of forfeiture, but shall not be under any obligation to do so.
  - (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.
- 51.
- (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
  - (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;
  - (iii) The transferee shall thereupon be registered as the holder of the share; and
  - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
52. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the company have been seen previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.
53. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

#### **TRANSFER AND TRANSMISSION OF SHARES**

- 54.
- (i) The Instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
  - (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

- (iii) The Instrument of transfer shall be in writing and all provisions of Section 56 of the Act, and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
- (iv) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document

55. 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.

56. The Board may decline to recognise 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.

57. 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.

58.

- (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.

59.

- (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.

60.

- (i) the person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member of the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents may with the consent of Board of Directors (which shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under his article of his title, as the Board of Directors thinks sufficient, either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board of Directors registered as such holder.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

61. 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.

62. No share shall in any circumstances be transferred to any infant, insolvent or persons of unsound mind.
63. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. The Company shall also use a common form of transfer. Subject to applicable law, the Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).
64. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto, in any book or the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may be entered or referred to in some book of the Company, but the company shall nevertheless be at liberty to regard and attend to any such notice and given effect thereto, if the Board of Directors shall so think fit.
65. Subject to the provisions of the Act, these Articles, or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

#### **BOARD TO RECOGNIZE BENEFICIAL OWNERS OF SECURITIES**

66. Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.
67. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.
68. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute



owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

#### **NOMINATION**

69. Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.
70. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
71. Notwithstanding anything to the contrary contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.
72. Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

#### **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

73. Copies of the Memorandum and Articles of Association of the Company and of other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request, within 7 days of the request, on payment of rupee one hundred for each copy

#### **BORROWING POWER**

74. The Board may, from time to time at its discretion subject to the provisions of Sections 179 and of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company, provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.
75. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.
76. Any debentures, debenture-stock, bonds or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution.
77. Save as provided in Section 56 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.

78. If the Board refuses to register transfer of any debentures the company shall, within one month from the date on which the instrument of transfer was lodged with the Company send to the transferee and to the transferor notice of the refusal.
79. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board.
80. The Company shall if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or Country outside India a branch of Debenture-holders resident in that State or country.

#### **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

81. The Company in General Meeting may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstance will admit. The company may at any time reconvert any stock into paid-up shares of any denomination.
82. 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 meeting of the Company and matters as if they held the shares from which the stock arose, but no such privileges or advantage (except participation in the Dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

#### **MEETINGS OF MEMBERS**

83. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual general meetings shall be Extra-ordinary General Meetings. The first Annual General Meeting shall be held within a period of nine months from the date of closing of the first financial year of the Company and in any case, within a period of six months, from the date of closing of the year, provided that not more than fifteen months shall elapse between the date of one annual general meeting of a Company and that to the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the register under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is between 9.00 AM to 6.00 PM on any day that is not a National Holiday and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its Subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report (if not already incorporated in the Audited Statement of Accounts) the proxy Register with proxies and the Register shall be open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and submit the same to the Registrar in accordance with Section 92 and 137 of the Act.
84. The Board may, whenever it deems fit, call an extra ordinary general meeting of the Company.
85. The extraordinary general meeting shall be called by the Board, at the requisition in writing made by such number of members who hold, on the date of receipt of requisition, not less than one-tenth of such of paid-up capital of the Company as on the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
86. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the registered office of the Company, provided that such requisition may consist of several documents in loose form and each shall be signed by one or more requisitionists.

87. Upon the receipt of any such requisition the Board shall within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call an extra ordinary general meeting for the consideration of that matter on a day not later than forty -five days from the date of receipt of such requisition. The requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of the paid-up share capital of the Company as is referred to section 100 of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called may be held within three months from the date of the delivery of the requisition as aforesaid.
88. Any reasonable expenses incurred by the requisitionist in calling an extraordinary meeting shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such directors who were in default in calling the meeting.
89. Any meeting called under the foregoing Articles by the requisitionists shall be called and held in the same manner, as nearly as possible, as that in which meeting is to be called and held by the Board.
90. A general meeting of the Company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed.

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or in electronic mode as prescribed under Section 101 of the Act.

Notice shall, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Article entitled to receive notice from the Company.

91. A notice calling the meeting shall be annexed with the statement setting out the following material facts concerning each item of special business to be transacted at a general meeting:
  - (i) The nature of concern or interest, financial or otherwise, if any, in respect of each items of
    - (a) Every director and the manager, if any;
    - (b) Every other key managerial personnel; and
    - (c) Relatives of the persons mentioned in sub-clause (i) and (ii) hereinabove;
  - (ii) Any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
92. In the case of an Annual General Meeting, all business to be transacted thereat shall be deemed special, other than:
  - (i) the consideration of the financial statements, and the reports of the Board of Directors and auditors.
  - (ii) the declaration of any dividend.
  - (iii) the appointment of Directors in place of those retiring.
  - (iv) the appointment of, and fixing of the remuneration of, the auditors, and in case of any other meeting, all business shall be deemed to be special.

Provided, that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid up share capital of the company, also be set out in the statement.

93. Any accidental omission to give notice to, or the non-receipt of such notice as aforesaid by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

94. Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement as referred in Article 79.
95. The notice of every meeting of the company shall be given to:
- (i) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;
  - (ii) the auditor or auditors of the Company; and
  - (iii) every director of the Company.
96. No General Meeting, Annual or Extraordinary, shall be competent to enter upon discuss or transact any business, which has not been mentioned in the notice or notices upon which it was convened.
97. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.
98. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.
99. If, at the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company
- (i) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine; or
  - (ii) the meeting called by requisitionist under section 100 of the Act, shall stand cancelled.

Provided, that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (i), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

100. The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meetings he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the directors present may choose one of their member to be the Chairman of the meetings. If no director be present or if all the director present decline to take the chair, then the Members present shall elect one of themselves to be the Chairman thereof on a show of hands. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on a show of hands under sub-section (1) of section 104, shall continue to be the Chairman of the meeting until some other person is elected as Chairman as a result of the poll, and such other person shall be the Chairman for the rest of the meeting.
101. No business shall be discussed at any General Meeting except the election of a chairman, while the Chair is vacant.
102. The chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **VOTING RIGHTS AND PROXY**

103. No member shall be entitled to vote either personally or by proxy, at any General Meeting or meeting of class of shareholders either upon show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien.

104. Subject to the provisions of these Articles and without prejudice to any special privileges or restriction as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company provided, however if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 47, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
105. On a poll taken at meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes, use all his votes or cast in the same way all the votes he used.
106. Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
107. Any person entitled under these Articles to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the register holder of such shares provided that forty eight hours at least before the time for holding the or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
108. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation or be signed by an officer or any attorney duly authorized by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.
109. An instrument of proxy may appoint a proxy either for the purpose of particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
110. A member present by proxy shall be entitled to vote only on a poll.
111. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
112. At any General Meeting, a Resolution put to the vote at the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result on a show of hands) demanded under section 109 or voting is carried out electronically:
- (i) by the Chairman of the Meeting; or
  - (ii) by the member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution being not less than one-tenth of the total voting power in respect of the Resolution; or
  - (iii) by any Member or Members present in person or by proxy and holding shares in the company on which as aggregate sum of Five Lakh Rupees has been paid up; or
  - (iv) by any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that

effect in the book containing the minutes of the proceedings of the Meeting of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

113. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.
114. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of poll shall be sole judge of the validity of every vote tendered at poll.
115. If a poll is demanded as aforesaid the same shall, subject to Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
116. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to time. Once the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from each removal or from any other cause.
117. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
118. If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting, several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.
119. 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, if any member be a minor the vote in respect of his share or shares shall be by his guardian or any of his guardian if more than one to be selected in case of dispute by the Chairman of the meeting.
120. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
121.
  - (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.
122. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised 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.

123. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

124. 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 any power of attorney 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.

125.

- (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entire thereof in books kept for that purpose with their pages consecutively numbered.
- (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period by a Director duly authorised by the Board for the purpose.
- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meetings shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meetings.
- (vi) Nothing herein contained shall require or be deemed to require the inclusion in such minutes of any matter which in the opinion of the Chairman of the meeting:
  - (a) is or could reasonably be regarded, as, defamatory of any person; or
  - (b) is irrelevant or immaterial to the proceeding; or
  - (c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise on absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- (vii) Any such minutes shall be evidence of the proceedings recorded therein.
- (viii) The book containing that minutes of proceedings of general meetings shall be kept at the registered office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the directors determine, to the inspection of any member without charge.

#### **BOARD OF DIRECTORS**

126.

- (i) Until Otherwise determined by a General Meeting of the Company and subject to the provisions of Sections 2(10), 149, 162 and 152 of the Act, the company shall have a Board of Directors consisting of individuals as directors and shall have a minimum of three directors and a maximum of fifteen directors.

Provided, that the Company in General Meeting by passing a special resolution, may appoint more than fifteen directors

- (ii) The first directors of the Company were determined by the Subscribers to the Memorandum and Articles of Association of the Company.

127. A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

128. If at any time the company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called "the institution") or if any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwrites the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more nominee directors on the Board the Company, then provisions of Section 161 of the Act and subject to the term and conditions of such loan, assistance, contract or arrangement with the institution shall be entitled to appoint one or more nominee Director or Directors, as the case may be, to the Board of the company and to remove from office of Board of Directors, any Director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The nominee Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue on office for so long as the relative loan, assistance, contract or arrangement as the case may be, subsists.
129. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the company, then in the case of any and every such issue of Debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture director shall not be appointed in his place. A debenture director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualification shares.
130. The Company shall have at least one director who has stays in India for total period of not less than one hundred and eighty-two days during the financial year.
131. The Company shall have at least two directors as Independent Directors in terms of provisions of Companies (Appointment and Qualification of Directors) Rules, 2014.
132. Every Independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Act.
133. Subject of the provisions of section 152, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.
134. Notwithstanding anything contained hereof, no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director.
- Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.
135. The Board of Directors of the Company may, by resolution passed by the company in general meeting, appoint a person, not being a person holding any Alternate Directorship for any other director in the company, to act as an Alternate Director for a director during his absence for a period of not less than three months from India.
- Provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.
- Provided further that an Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed and shall vacate office if and when the Director in whose place he has been appointed returns to India.
- Provided also that if the term of office of the original director is determined before he so returns to India, any provisions in the Act or in these Articles for his automatic reappointment of any retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.



136. Subject to the provisions of Section 161 and 152 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not, at any time exceed the maximum fixed under these Articles, and any such additional Director shall hold office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

137. Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification.

138. Subject to the provisions of Sections 161, 152 and 169(7)) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to act as a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director is whose place he is appointed would have held office if it has not been vacated by him.

139.

- (i) Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

- (ii)\_ Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a managing Director, may be paid remuneration either:

- (a) by way of monthly payment or at a specified percentage of the net profits of the company or partly by one way or partly by another way;
- (b) the sitting fee payable to a Director (including Managing Director or Whole time Director, if any), for attending each meeting of the Board or Committee thereof or for any other purpose whatsoever, shall not be more than the amount prescribed by the Act and Rules made thereunder.

Provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

140. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting, as above specified; and if any Director by called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

141. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum number fixed by these Articles hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of directors to the number or for summoning a General Meeting but no other purpose.

142. The office of a Director shall ipso facto be vacated if:

- (i) he incurs any of the disqualifications specified in section 164 of the Act, 2013;

- (ii) he absent himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (iii) he act in contravention of the provisions of Section 184 of the Act, relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (iv) he fails to disclose his interest in any contract or arrangements in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act;
- (v) he becomes disqualified by an order of a court or the tribunal;
- (vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.

Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

- (vii) he has been removed in pursuance of the provisions of the Act;
- (viii) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary, or associate company, ceases to hold such office or other employment in that company.

143. Company shall not enter into any contract or arrangements with a related party except with the consent of the Board of Directors with respect to:

- (i) sale, purchase or supply of any goods or materials
- (ii) selling or otherwise disposing of, or buying property of any kind;
- (iii) leasing of property of any kind;
- (iv) availing or rendering of any services;
- (v) appointment of any agent for purchase or sale of goods, materials, services or property;
- (vi) such related party's appointment to any or place of profit in the company, its subsidiary company or associate company; and
- (vii) underwriting the subscription of any securities or derivatives thereof, of the company.

Provided that no contract or arrangement shall be entered into by the company in excess of the limit prescribed under, Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, except with the prior approval of the company by a resolution.

Provided further that no member of the company shall vote on such resolution, to approve any contract or arrangements which may be entered into by the company, if such member is a related party.

Provided also that nothing in these Articles shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

144. Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting, and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or as the case may be as shareholders, and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

145. Without prejudice to above, it shall be open to the company to proceed against a director or any other employee who had entered into such contract or arrangement in contravention of the provisions of Section 188 of the Act for recovery of any loss sustained by it as a result of such contract or arrangement.
146. Every director shall at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after any such change, disclose his concern or interest in any company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, in such manner as may be prescribed.
147. Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in the provisions of Section 184 of the Act;

Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

148. A contract or arrangement entered into by the company without disclosure or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.
149. A General Notice given to the Board by the Directors, to the effect that he is a Director or member of a specified bodies corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. All such notices shall be kept at the registered office of the company and shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Company secretary or any other person as authorized by the Board.
150. No Director shall as direct to take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall:
- (i) be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;
  - (ii) apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than two percent of the paid up share capital in other company or the body corporate.

151. The Company shall keep one or more Registers under Section 189 of the Act, giving separately the particulars of all contracts or arrangements in compliance with the provisions of Section 184 and 188, in such manner and containing such particulars as required by the Act and shall within the time specified in the section, entering the particulars, such register shall be placed before the next meeting of the Board and signed by all the directors present at the meeting.

The Register aforesaid shall also specify, in relation to each director of the company the names of the bodies corporate and firms of which notice has been given by him under these Articles. The Register shall be kept at the registered office of the Company and shall be open for inspection at such office during business hours and extracts may be taken therefrom and copies thereof as may be required by any member of the company, shall be furnished by the company to such extent, in same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

152. A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder, otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197(14) or Section 188 of the Act may be applicable.
153. At every Annual General Meeting of the Company, one third of such of the directors for the time being, as are liable to retire by rotation or if their number is neither three nor a multiple of three, the number nearest to one-third shall retire from office.
154. Subject to Section 152 of the Act, the Directors to retire by rotation under Article 135 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.
155. At the Annual General Meeting at which a director retires under Article 154, the company may fill up the vacancy by appointing the retiring director or some other person thereto.
156. A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the registrar in such manner, within such time and such form as prescribed in the Act, and shall also place the fact of such resignation in the report of Directors laid in the immediately following general meeting by the company. The company shall follow the provisions of Section 168 of the Act.

Provided that a director shall also forward a copy of his resignation alongwith detailed reasons for the resignation, if required under the Act, to the registrar within thirty days of resignation in such manner as prescribed in the Act.

157.

- (i) the vacancy of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
- (ii) If at the adjourned meeting also, the vacancy of the retiring Director is not so filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:
  - (a) at that meeting or at the previous meeting the resolution for the re-appointment of such Director has been put to the meeting and lost;
  - (b) the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
  - (c) he is not qualified or is disqualified for appointment;
  - (d) a resolution whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
  - (e) the provisions of Section 162 of the Act is applicable to the case.

158.

- (i) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the company a notice in writing under his hand signifying his candidature for the office of Director or as the case may be, the intention of such member to propose him as a candidate for that office.
- (ii) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the company a notice under Section 160 of the Act Signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director if appointed along with the deposit of rupees one lakh.

Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee.

(iii) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

159. The Company shall keep at its registered office a register containing the particulars of its directors and key managerial personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

160. Company shall file a return containing particulars and documents as prescribed by the Act, for appointment or changes, if any, of the directors and key managerial personnel of the company, as the case may be, with the Registrar of the Companies within a period of thirty days any such appointment or changes.

### **REMOVAL OF DIRECTORS**

161.

(i) The Company may (Subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any Directors before the expiry of his period of office.

(ii) Special notice as provided by Section 115 of the Act shall be given for any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed, at the meeting at which he is removed.

(iii) On receipt of notice of a resolution to remove a Director under this article, the Company shall forthwith send a copy thereof to the Director concerned and the Director, whether or not he is a member of the Company, shall be entitled to be heard on the resolution at the meeting.

(iv) Where notice has been given of a resolution to remove a Director under this Article and the director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests its notification to members of the Company, the company shall, unless the representations are received by it too late for it to do so:

(a) in the notice of the resolutions given to members of the company, state the fact of the representations having been made, and

(b) send a copy of the representations to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company),

and if a copy of the representation is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting, provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter and tribunal may order the company's cost on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

- (v) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in General Meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed,

Provided special notice of the intended appointment has been given.

A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

- (vi) If the vacancy is not filled, it may be filled as a casual vacancy in accordance with the provisions of the Act, in so far as they are applicable

Provided that the Director who was removed from office under these Articles shall not be reappointed as a Director by the Board of Directors.

- (vii) Nothing contained in this Article shall be taken:

- (a) as depriving a person removed under these Articles of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as Director, or of any other appointment terminating with that as director; or
- (b) as derogating from any power to remove a Director under other provisions of the Act.

### **MANAGING DIRECTOR**

162. The Company shall not appoint or employ at the same time a managing director and a manager.

163. The Company shall appoint or re-appoint any person as its managing director, whole-time director or manager for term not exceeding five years at a time;

Provided that no re-appointment shall be made earlier than one year before the expiry of his term.

164. Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in Part I of the Schedule V of the Act.

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

165. The Company shall not appoint or employ, or continue the appointment or employment of a person as its managing director, whole-time Director or manager who:

- (i) is below the age of twenty-one years or has attained the age of seventy years;
- (ii) Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;
- (iii) is an undischarged insolvent; or has at any time been adjudged as an insolvent;
- (iv) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them;  
or
- (v) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

166. Subject to the provisions of the Act, where an appointment of managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.
167. The Board of Directors may appoint Managing or Whole Time Director, Director or Manager to manage the affairs of the company and/or a secretary or other officers for such remuneration and on such terms and conditions with the sanctions of the Board and or shareholders in General Meeting and also approved by the Central Government.
168. Notwithstanding anything contain under section 203 of Companies Act 2013 read with rules framed there under as applicable if any, the Managing Director shall also act as Chairman of the Company, Chairman of the Board Meetings and General Body Meetings of Members of the Company.
169. The Directors may appoint a Vice chairman of the Board of Directors to preside at meetings of the directors at which the chairman not be present and determine the period for which he is hold office.
170. All meeting of the Directors shall be presided over by the chairman if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same or the chairman refuse to preside, the Vice-Chairman, if present, shall preside and if the Vice-Chairman be not present at such time or if the Vice- Chairman refuses to preside or if no Chairman or Vice Chairman has been appointed under the Article and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

171. The Directors may meet together as a Board for the conduct of business from time to time, and shall so meet at least four times in a year in such manner, that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit.
172. The participation of directors in a meeting of the Board may be either in person or through video conferencing of other audio visual means, as prescribed in the Companies (Meeting of Board and its Powers) Rules, 2014, which are capable of recording and recognizing the participation of the directors and recording and storing the proceedings of such meeting alongwith date and time.
173. The Secretary or any officer of the Company, by order of the Board, shall sent notice in writing of every Board meeting called, to every Director, not less than seven days before the meeting at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.
- Provided that a meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting;
- Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director, if any.
174. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed or if any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of them to be Chairman of such meeting.
175. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum shall not be present within the Board, the meeting stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.
176. A Meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these articles for the time being vested in or exercisable by the Board.
177. Subject to the provisions of Section 203 and 196 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.

178. The Board shall exercise the following powers on behalf of the company by means of resolution passed at the meetings of the Board, namely:

- (i) to make calls on shareholders in respect of money unpaid on the shares;
- (ii) to authorise buy-back of securities under section 68 of the Act;
- (iii) to issue securities, including debentures, whether in or outside India;
- (iv) to borrow monies;
- (v) to invest the funds of the company;
- (vi) to grant loans or give guarantee or provide security in respect of loans;
- (vii) to approve financial statements and the Board's Report;
- (viii) to diversify the business of the company;
- (ix) to approve amalgamation, merger or reconstruction;
- (x) to take over a company or acquire a controlling or substantial stake in another company;
- (xi) any other matter which may be prescribed under Companies (Meetings of Board and its Powers) Rules, 2014

Provided that the Board may, by a resolution passed at a meeting, delegate to any committees of directors, the managing director, the manager or any other principal officer of the company or in case of a branch office of the company, the principal officer of the branch office, the powers specified in clause (iv) to (vi) on such conditions as it may specify.

Provided further that, if any subject not considered above and subject to provisions of the Act, the Board may transact the business by passing resolution on circulation pursuant to Section 175 of the Act.

179. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far the same are applicable thereto, and are not superseded by any regulations made by the Board under these Articles.

180. Save in those cases where a resolution is required by Sections 161, 179, 188, 203, and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be a valid and effectual as if it had been passed at a meeting of the Board or committee of the board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the directors, or to all the members of the Committee of the board as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual address in India and has been approved by such of them as are then in India or by majority of them as are entitled to vote on the resolution.

181. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

182. The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in book kept for that purpose with their pages consecutively numbered.

- (i) Each page of every such book shall be initialed or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (ii) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.



- (iii) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (iv) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings
- (v) The minutes shall also contain:
  - (a) The name of the Directors present at the meeting; and
  - (b) In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
- (vi) Nothing contained in sub-clauses (i) to (vi) shall deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;
  - (a) is, or could reasonably be regarded as defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

- (vii) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

183. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior to act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall exercise the powers as specified in section 180 of the Act only with the consent of the company by a special resolution in General Meeting, namely:

- (i) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking.
- (ii) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation.
- (iii) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate to its paid-up capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business.
- (iv) to remit, or give time for the repayment of, any debt from a director.
- (v) contribute to bona fide charitable and other funds not directly relating to the business of the company or the welfare of its employees, any amount the aggregate of which, in any financial year, exceed five percent of its average net profits for the three immediately preceding financial years.

184. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power;

- (i) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;

- (ii) to pay any charge to the capital amount of the Company and Commission or interest lawfully payable thereout under the provisions of the Act;
- (iii) subject to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or otherwise acquisition to accept such title as the Directors may believe or may be advised to a reasonably satisfactory;
- (iv) at their discretion and subject to the provisions of the Act to pay for any (property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in case of shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the company and its uncalled capital or not so charged;
- (v) to secure the fulfillment of any contracts or engagement entered into by the company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;
- (vi) to accept from any members, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- (vii) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes; and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (viii) to institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon;
- (ix) to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (x) to make and give receipts releases, and other discharge for moneys payable to the Company and for the claims and demands of the Company.
- (xi) subject to the provisions of Sections 179, 185 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- (xii) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (xiii) to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts, and documents and to give the necessary authority for such purpose.
- (xiv) to distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other persons employed by the Company a commission on the profits of any

- particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- (xv) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason or locality of operation, or of public and general utility or otherwise;
  - (xvi) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation to depreciation fund, or to an Insurance Fund, or as a Reserve Fund, or sinking fund or any special fund to meet contingencies or to repay debentures or Debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving extending and maintaining any of the property of the Company and such for other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital monies of the company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation, fund, in the business of the company or in the purchase or re-payment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;
  - (xvii) to appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants of permanent temporary or special services, as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit. Also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clause shall be without prejudice to the general powers conferred by this sub-clause;
  - (xviii) to comply with requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with;

- (xix) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards and to fix their remuneration;
- (xx) subject to Section 179 of the Act, from time to time and at any time, to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annual or vary any such delegation.
- (xxi) at any time and from time to time by power of Attorney under the Seal of the Company, to appoint person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, Directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- (xxii) subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient;
- (xxiii) from time to time to make vary and repeal by law for the regulation of the business of the Company, its officer and servants.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, SECRETARY or CHIEF FINANCE OFFICER**

185. 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.

186. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **THE SEAL**

187.

- (i) The Board shall provide a Common Seal for the purpose of the company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors or one director and the secretary or such other person as the Board may appoint for the purpose; and those two directors or one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **DIVIDENDS AND RESERVES**

188. The company in general meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the company in general meeting may declare a smaller dividend.

189. 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.

190. No dividend shall be declared or paid by the company for any financial year except, Out of the profits of the company for that year arrived at after providing for depreciation in accordance with the provisions of schedule II of the Act, or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that schedule and remaining undistributed, or out of both, provided that;

- (i) The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:
- (ii) Where owing to inadequacy or absence of profits in any financial year, the company proposes to declare dividend out of the accumulated profits earned by it in previous year and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with Companies (Declaration and Payment of Dividend) Rules, 2014.
- (iii) No dividend shall be declared or paid by the company from its reserves other than free reserves.

191. The Board of Directors of the Company may declare interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

192.

- (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.

193. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons and the Board may deduct from any dividend or interest 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.

194.

- (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) No dividend shall be paid by the company in respect of any share therein except to the registered shareholder of such share or his order or to his banker and shall not be payable except in cash.

Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company.

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

195. 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.

196. 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.

197. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account". The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act

There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases. The company shall comply with the provisions the Act in respect of all unclaimed or unpassed dividend.

198. No dividend shall bear interest against the company.

### **CAPITALISATION OF PROFITS**

199.

- (i) The company in general meeting may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (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 (iii), either in or towards:
  - (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

- (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
- (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.

200.

- (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 capitalised 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 authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, 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.

## ACCOUNTS

201. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of Account in accordance with Section 128 the Act.
202. Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the company the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
203. The Company may keep the books the accounts or other relevant papers in accordance with Section 128 of the Act, in electronic mode in such manner as prescribed.
204. The Company shall preserve in good order the Books of Accounts relating to period of not less than eight years immediately preceding the financial year together with the vouchers relevant to any entry in such books of Account.
205. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its office or other place in India, at which the company's Books of Account are kept as aforesaid.

206. The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction; The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.
207. 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
208. No member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Board or by the company in general meeting.
209. The Directors shall from time to time, in accordance with Sections 129, 133 and 134 of the Act, cause to be laid before the company in General Meeting, such Balance Sheets, profits and loss account and reports as are required by these Sections.
210. A Copy of every Balance Sheet and Profit and loss account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a Statement containing salient features of such documents in the prescribed form, as laid down under Section 136 of the Companies Act, 2013 as the Company may deem fit, shall not less than twenty-one days before the Meeting at which the Balance Sheet and the profit and loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 136 of the Companies Act, 2013 provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

#### **AUDIT**

211. Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 145 of the Act.
212. The first Auditor or auditors of the company shall be appointed by the board within one month of the date of registration of the company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first annual general meeting:

Provided that the Company may, at a General Meeting remove and such auditor or all of such auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the meeting,

Provided further that if the Board fails to exercise its powers under this Article, the Company in General meeting may appoint the first Auditor or Auditors.

Provided also that before such appointment is made, the written consent of auditor to such appointment and a certificate from him or it that the appointment if made, shall be in accordance with the conditions as prescribed, shall be obtained from the auditor.

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141 of the Act.

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the registrar within fifteen days of the meeting in which the auditor is appointed.

#### **DOCUMENTS AND NOTICES**

213.

- (i) A document or notice may be served or given by the Company or any member either personally or sending it by post to him to his registered address, if he has no registered address in India, to the address, if any, in India supplied by him to the Company for serving documents or notice on him.



- (ii) Where a documents or notice is sent by post, services of the documents or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice provided that where a member has intimated to the Company in advance that documents or notices should be sent him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be the manner intimated by the member and; such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.
214. A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company any address within India for serving of documents or the sending of notices to him.
215. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice or on or to the joint-holders named first in the Register of members in respect of the share.
216. A document or notice may be served or given by the Company on or to the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
217. Document or notices of every General Meeting shall be served or given in the same hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor of Auditors for the time being of the Company.
218. Every person whom by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he derives his title to such share.
219. Any document or notice to be served or given by the Company may be signed by a director or some person duly authorized by the Board of directors for such purpose and the signatures thereto may be written printed or lithographed.
220. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or any officer at the office by post under a certificate of posting or by registered post or by speed post or by courier or by delivering at his office or address, or by such by electronic or other mode

### **RECONSTRUCTION**

221. On any sale of the undertaking of the company the Board or the Liquidators on a winding-up may, if authorized by a Special Resolution accept fully paid or partly paid-up shares, debentures or securities of any other company whether incorporated in India or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special Resolution may provide for the distribution or appropriation of the cash shares or other securities, benefits or property otherwise than in accordance with the strict legal right of the member or contributories of the company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation the course of being wound up, such statutory right (if any) under of the Act as are incapable of being varied excluded by these Articles.

### **WINDING UP**

222. 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 AND RESPONSIBILITY**

223. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **SECRECY**

224. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so declaration pledging himself to observe strict secrecy regarding all customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board as by Court of Law and except so far as be necessary in order to comply with any; of the provisions of these presents constituted.

#### **GENERAL AUTHORITY**

225. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## SECTION XIII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 84/1B, PO Khakharia, Taluka- Savli, Vadodara 391510, Gujarat, India, from date of filing the Draft Red Herring Prospectus with RoC to Offer Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

#### A. Material Contracts

1. Offer Agreement dated October 14, 2024 entered between our Company and the Book Running Lead Manager, the Promoter Selling Shareholder of the Offer.
2. Registrar to Offer Agreement dated October 14, 2024 executed between our Company, Promoter Selling Shareholder and the Registrar to the Offer.
3. Underwriting Agreement dated October 14, 2024 entered between our Company, Promoter Selling Shareholder, the Book Running Lead Manager and Underwriter.
4. Market Making Agreement [●] entered between our Company, Book Running Lead Manager and Market Maker.
5. Bankers to the Offer Agreement dated [●] entered between our Company, the Book Running Lead Manager, Banker to the Offer/ Sponsor Bank and Registrar to the Offer.
6. Share Escrow Agreement dated [●] entered between our Company, Promoter Selling Shareholder and Share Escrow Agent
7. Syndicate Agreement dated [●] entered into among our Company, the Promoter Selling Shareholder, the Book Running Lead Manager, the Registrar and the Syndicate Members
8. Tripartite agreement among the NSDL, our Company and the Registrar dated May 09, 2018.
9. Tripartite agreement among the CDSL, our Company and the Registrar dated April 26, 2018.

#### B. Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board resolution dated August 06, 2024 and special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on August 30, 2024.
3. Resolution dated October 14, 2024 passed by the Board taking on record the participation of the Promoter Selling Shareholder in the Offer for Sale and other matters.
4. Copies of annual reports of our Company for Fiscal 2024, 2023, 2022, 2021 and 2020.
5. Copies of Audited Financial Statements of our Company quarter ended June 30, 2024, for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022.
6. Peer Review Auditors Report dated October 14, 2024 on Restated Financial Statements of our Company for the period ended June 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022.


7. Copy of Statement of Possible Tax Benefits dated October 14, 2024 from the Peer Review Auditor included in this Draft Red Herring Prospectus.
8. Certificate dated October 14, 2024 from the Statutory Auditors, with respect to our Key Performance Indicators
9. Written consent dated August 10, 2024 from Trivedi Rajendrakumar Manubhai, an independent chartered engineer to include his name as required under the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered engineer in relation to the certificate dated September 20, 2024, certifying, inter alia, the details of the installed and production capacity of our current manufacturing facility..
10. Written consent dated October 14, 2024 from ds Chintan Kishorbhai Vaidya, an independent chartered engineer to include his name as required under the SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent chartered engineer in relation to cost assessment report dated October 14, 2024 certifying the estimated cost of setting up the Proposed Manufacturing Facility at Plot 32-A, Suncity Industrial Park, Savli, Vadodara, Gujarat to manufacture RIP/RIS transformer condenser graded bushings.
11. Consents of the Directors, Promoter, Promoter Selling Shareholder, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor holding Peer Review Certificate, Book Running Lead Manager to the Offer, Legal Advisor to the Offer, Bankers to our Company, Banker to the Offer, Industry report provider, Registrar to the Offer, Underwriter and Market Maker to include their names in the Draft Red Herring Prospectus to act in their respective capacities.
12. Due Diligence Certificate from Book Running Lead Manager dated October 15, 2024.
13. Resolution dated October 14, 2024 of the Audit Committee approving the Key Performance Indicators
14. Board Resolution dated October 15, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus, and dated [●] for approval of Prospectus.
15. In-principle listing approval dated [●] from the BSE Limited for listing the Equity Shares on the SME Platform of the BSE Limited (“**BSE SME**”).
16. Written Consent letter dated October 04, 2024 from Ken Research Private Limited, for Industry report.
17. Industry Report issued by Ken Research Private Limited.
18. Exemption application filed by our Company on June 21, 2024 seeking exemption under Regulation 300(1) of the SEBI ICDR Regulations and various other submissions made with SEBI in relation to the exemption.
19. Exemption Letter from SEBI bearing reference no. SEBI/HO/CFD/RAC-DIL2/P/OW/2024/29850/1 dated September 19, 2024 based on the exemption application dated June 20, 2024 filed by our Company with SEBI.

Any of the contracts or documents mentioned in the Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant.

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**



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**Keyur Girishchandra Shah**  
(Chairman & Managing  
Director)  
DIN: 01064190

Date: 15-10-2024

Place: Vadodra.

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY



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**Twinkle Keyur Shah**  
(Non-Executive Director)  
DIN: 03575362

Date: 15th October 2024

Place: Vadodra

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**



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**Suril Saumil Mehta**  
**(Independent Director)**  
**DIN: 09804792**

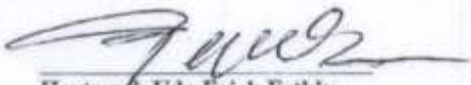
Date: 15/10/2024

Place: Mumbai

## DECLARATION

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**SIGNED BY THE DIRECTOR OF OUR COMPANY**



Hartmuth Udo Erich Fethke  
(Non-Executive Director)  
DIN: 10697584

Date: 15-10-2024

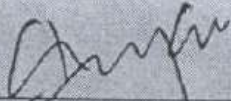
Place: Germany



## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Rabindra Nath Nayak  
(Independent Director)  
DIN: 02658070

Date: 15/10/2024

Place: New Delhi

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Sanjoy Kumar Goel  
(Independent Director)  
DIN: 10659968

Date: 15th October 2024

Place: Mumbai

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statements, disclosures and undertakings made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**



**Sumit Poddar**  
**(Chief Financial Officer)**

Date: 15th Oct. 2024

Place: Vadodara.

## DECLARATION BY THE PROMOTER SELLING SHAREHOLDER

I, Keyur Girishchandra Shah, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to me, as the Promoter Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.



\_\_\_\_\_  
Keyur Girishchandra Shah

Date: 15-10-2024

Place: Vadodra