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RED HERRING PROSPECTUS

Dated: August 05, 2024

100% Book Built Offer

Please read with Section 32 of the Companies Act, 2013

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



## POSITRON ENERGY LIMITED

Corporate Identity Numbers: U01403GJ2008PLC052932

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007		-	Mr. Devang Ashvinkumar Shah	Tel No: +91 079 23290070 Email Id: <a href="mailto:secretarial@positron-india.com">secretarial@positron-india.com</a>	<a href="http://www.positron-india.com">www.positron-india.com</a>
PROMOTERS OF OUR COMPANY: MR. RAJIV SHANKARANKUTTY MENON, MR. MANAV BAHRI AND MR. SUJIT K SUGATHAN					
DETAILS OF THE ISSUE					
TYPE	FRESH ISSUE SIZE	SIZE OF OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY	
Fresh Issue	20,48,400 Equity Shares aggregating to ₹ [●] Lakhs	Nil	20,48,400 Equity Shares aggregating to ₹ [●] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.	
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES					
RISK IN RELATION TO THE FIRST ISSUE					
This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each. The Floor Price, the Cap Price and the Issue Price to be determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI (ICDR) Regulations, 2018 and on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "Basis for Issue Price" on page 84 or in case where, Price Band is not disclosed otherwise, will be advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily Gujarati regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
GENERAL RISKS					
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to section titled "Risk Factors" appearing on page 20 of this Red Herring Prospectus.					
ISSUER'S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.					
LISTING					
The Equity Shares will be issued through Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For this Issue, the Designated Stock Exchange will be the EMERGE Platform of National Stock Exchange of India Limited (NSE EMERGE)					
BOOK RUNNING LEAD MANAGER TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
 <b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b>		Mr. Nikhil Shah		Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Tel. No: 079 4918 5784	
REGISTRAR TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
 <b>LINK INTIME INDIA PRIVATE LIMITED</b>		Mr. Shanti Gopalkrishnan		Email: <a href="mailto:positronenergy.ipo@linkintime.co.in">positronenergy.ipo@linkintime.co.in</a> Tel. No: +91 22 8108114949	
BID/ISSUE PERIOD					
ANCHOR INVESTOR BIDDING DATE	Friday August 09, 2024*	BID/ISSUE OPENS ON	Monday August 12, 2024	BID/ISSUE CLOSING ON:	Wednesday August 14, 2024**

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

\*\*The UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Issue Closing Date.

**POSITRON ENERGY LIMITED**

Corporate Identity Numbers: U01403GJ2008PTC052932

Our Company was originally registered in the name of "Positron Energy Private Limited" and received a certificate of incorporation dated February 15, 2008 from the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli under The Companies Act, 1956. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 23, 2023 and the name of our Company was changed to "Positron Energy Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated January 02, 2024 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U01403GJ2008PLC052932. For details of change in name and registered office of our Company, please refer to chapter titled "History and Corporate Matters" beginning on page no. 109 of this Red Herring Prospectus.

Registered Office: Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007

Website: www.positron-india.com; E-Mail: secretarial@positron-india.com; Telephone No: +91 079 23290070

Company Secretary and Compliance Officer: Mr. Devang Ashvinkumar Shah

**PROMOTERS OF OUR COMPANY: MR. RAJIV SHANKARANKUTY MENON, MR. MANAV BAHRI AND MR. SUJIT K SUGATHAN****THE ISSUE**

INITIAL PUBLIC ISSUE OF 20,48,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF POSITRON ENERGY LIMITED ("PEL", "POSITRON" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH 1,02,600 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 19,45,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.95% AND 25.60%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM ADVERTISED IN ALL EDITIONS OF ENGLISH DAILY NEWSPAPER FINANCIAL EXPRESS, ALL EDITIONS OF HINDI NATIONAL DAILY NEWSPAPER JANSATTA AND GANDHINAGAR EDITION OF FINANCIAL EXPRESS REGIONAL NEWSPAPER (GUJARATI BEING REGIONAL LANGUAGE OF GANDHINAGAR WHERE OUR REGISTERED OFFICE IS LOCATED). AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

FOR FURTHER DETAILS KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 216 OF THIS RED HERRING PROSPECTUS.

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" on page 226.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 226 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Issue Price should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 20 of this Red Herring Prospectus.

**COMPANY'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated July 03, 2024 from National Stock Exchange of India Limited ("NSE") for using its name in Issue document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For this Issue, the designated Stock Exchange is the National Stock Exchange of India Limited ("NSE").

**BOOK RUNNING LEAD MANAGER****BEELINE****BEELINE CAPITAL ADVISORS PRIVATE LIMITED**

SEBI Registration Number: INM000012917

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

Telephone Number: 079 4918 5784

Email Id: [mb@beelinemb.com](mailto:mb@beelinemb.com)Investors Grievance Id: [ig@beelinemb.com](mailto:ig@beelinemb.com)Website: [www.beelinemb.com](http://www.beelinemb.com)

Contact Person: Mr. Nikhil Shah

CIN: U67190GJ2020PTC114322

**REGISTRAR TO THE ISSUE****LINK Intime****LINK INTIME INDIA PRIVATE LIMITED**

SEBI Registration Number: INR000004058

Address: C- 101, 1<sup>st</sup> Floor, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India

Telephone: +91 810 811 4949, Fax: +91 22 49186060

Email: [positronenergy.ipo@linkintime.co.in](mailto:positronenergy.ipo@linkintime.co.in)Investor Grievance E-Mail: [positronenergy.ipo@linkintime.co.in](mailto:positronenergy.ipo@linkintime.co.in)Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Contact Person: Mr. Shanti Gopalkrishnan

CIN: U67190MH1999PTC118368

**BID/ISSUE PERIOD****ANCHOR INVESTOR****BIDDING DATE**

Friday August 09, 2024\*

**BID/ISSUE OPENS ON**

Monday August 12, 2024

**BID/ISSUE CLOSES****ON:**

Wednesday August 14,

2024\*\*

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

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## SECTION I – DEFINATIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

### GENERAL AND COMPANY RELATED TERMS

Term	Description
“Positron”, “PEL” “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Positron Energy Limited, a public limited company, registered under the Companies Act, 1956 and having its registered office at Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007.
Our Promoters	Mr. Rajiv Shankarankutty Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.

### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Associate Company	Positron Gas limited
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer to the section titled “Our Management” on page 157 of this Red Herring Prospectus.
Auditor of our Company / Statutory Auditor of the Company	The Statutory Auditors of our Company, being M/s. Abhishek Kumar & Associates, Chartered Accountants as mentioned in the section titled “General Information” beginning on page 51 of this Red Herring Prospectus.
Bankers to the Company	HDFC Bank Limited
Board of Directors / Board/BOD	The Board of Directors of Positron Energy Limited unless otherwise specified.
Companies Act	The Companies Act, 1956 and/or the Companies Act, 2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. Positron Energy Limited U01403GJ2008PLC052932
Chairperson	Chairperson of our Company, being Dr. Safalta S Gupta
Chief Executive Officer (CEO)	The Chief Executive Officer of our Company, being Mr. Manav Bahri
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company, being Mr. Sujit K. Sugathan.
Chief Technology Officer (CTO)	The Chief Technology Officer of our Company, being Mr. Koikalethu Abraham Liji.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer, being Mr. Devang Ashvinkumar Shah.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number

Term	Description
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
ED	Executive Director
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Information as covered under the applicable accounting standards, and as disclosed in “ <i>Information with respect to Group Companies</i> ” on page 199 of this Red Herring Prospectus.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0S3H01017
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management</i> ” on page 157 of this Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on February 20, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
MD	Managing Director of our Company, being Mr. Rajiv Shankarankutty Menon
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer to the section titled “ <i>Our Management</i> ” on page 157 of this Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Promoter Group	Such individuals and entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details regarding promoter group of our company, please refer to chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning from page no. 172 of this Red Herring Prospectus.
Registered Office	Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007.
Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the year ended on March 31, 2024, 2023, 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
Peer Reviewed Auditor	M/S. S V J K And Associates., Chartered Accountants being Peer reviewed auditor,

Term	Description
	holding a valid peer review certificate as mentioned in the section titled “ <i>General Information</i> ” beginning on page 51 of this Red Herring Prospectus.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer to the section titled “ <i>Our Management</i> ” on page 157 of this red herring prospectus.
WTD	Whole-Time Director

#### ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment Advice	A note or advice or intimation of Allotment, sent to all the Bidders who have Bid in the Issue after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least ₹100 million, in accordance with the requirements specified in the SEBI Regulations.
Anchor Investor Allocation Notice	The note or advice or intimation of allocation of the Equity Shares sent to the Anchor Investors who have been allocated Equity Shares after discovery of the Anchor Investor Allocation Price, including any revisions thereof.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company, in consultation with the BRLMs, on the Anchor Investor Bidding Date.
Anchor Investor Bidding Period	The day, one Working Day prior to the Bid Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which Allotment will be made to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which shall be higher than or equal to the Issue Price, but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Pay-in Date	In case of the Anchor Investor Issue Price being higher than the Anchor Investor Allocation Price, the date as mentioned in the Anchor Investor Allocation Notice but not later than two Working Days after the Bid/Issue Closing Date.
Anchor Investor Portion	The portion of the Issue available for allocation to Anchor Investors on a discretionary basis out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price, in accordance with the SEBI Regulations, being up to 60% of the QIB Portion or up to 5,83,200 Equity Shares.
Application Supported by	An application, whether physical or electronic, used by ASBA Bidders to make a Bid.

Terms	Description
Blocked Amount / ASBA	and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked up on acceptance of UPI Mandate Request by UPI Bidders.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled ' <i>Basis of allotment</i> ' under chapter titled "Issue Procedure" starting from page no. 226 of this Red Herring Prospectus.
BCAPL	Beeline Capital Advisors Private Limited
Bid	An indication to make an Issue during the Anchor Investor Bidding Period or Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Issue Closing Date	<p>Except in relation to Anchor Investor(s), the date after which the Designated Intermediaries will not accept any Bids, being August 14, 2024, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper), and Gandhinagar editions of Financial Express (a widely circulated regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.</p>
Bid/Issue Opening Date	Except in relation to Anchor Investor(s), the date on which the Designated Intermediaries shall start accepting Bids, being August 12, 2024, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), and all editions of Jansatta (a widely circulated Hindi national daily newspaper), and Gandhinagar editions of Financial Express (a widely circulated regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders, other than Anchor Investor(s) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investor(s).

Terms	Description
	<p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.</p>
Bidder/ Investor	A prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an ASBA Bidder and Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Bankers to the Issue and Refund Banker	Axis Bank Limited
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centers	Broker Centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
Cash Escrow and Sponsor Banks Agreement	Agreement dated July 26, 2024 amongst our Company, the Registrar to the Issue, the Book Running Lead Managers, the Syndicate Members, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for inter alia, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.



Terms	Description
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non- Institutional Investors are not entitled to Bid at the Cut-off Price.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where the bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Intermediaries/Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring prospectus dated March 08, 2024 issued in accordance with Section 26 and 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Engagement Letter	The Engagement letter dated October 05, 2023 executed between Issuer and BRLM.
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or

Terms	Description
	invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Emerge Platform of NSE	The EmERGE Platform of NSE for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as an NSE EmERGE on October 14, 2011.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account(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.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fresh Issue	The Fresh Issue of 20,48,400 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
Gross Proceeds	Gross proceeds of the Fresh Issue that will be available to our Company.
GIR Number	General Index Registry Number
IPO/ Issue/ Issue Size/ Public Issue	The Initial Public Offer of 20,48,400 Equity Shares at ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] Lakhs by our Company.
Issue document	Includes Red Herring Prospectus and Prospectus filed with the Registrar of Companies.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 75 of this Red Herring Prospectus
Issue Price	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share), to investors other than Anchor Investor(s).
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock

Terms	Description
	Exchange of India Limited.
Market Making Agreement	The Market Making Agreement dated July 26, 2024 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	The Market Maker to the Issue, in this case being Spread X Securities Private Limited.
Market Maker Reservation Portion	The reserved portion of 1,02,600 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	5% of the Net QIB Portion, available for allocation to Mutual Funds out of the Net QIB Portion on a proportionate basis
Net Issue	The Issue excluding the Market Maker Reservation Portion of 19,45,800 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidders	All Bidders (including Sub-Accounts which are foreign corporate or foreign individuals) who are not Qualified Institutional Buyers or Retail Individual Bidders who have Bid for an amount more than Rs. 200,000 (but not including NRIs other than Eligible NRIs and QFIs other than Eligible QFIs)
Non-Institutional Portion	The portion of the Issue being not more than 15% of the Issue consisting of 2,92,200 Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Non-Syndicate Broker Centre	A broker Centre of the stock exchanges with broker terminals, wherein a Non-Syndicate Registered Broker may accept Bid cum Application Forms, details of which are available on the website of the Stock Exchanges, and at such other websites as may be prescribed by SEBI from time to time
Non-Syndicate Registered Broker	A broker registered with SEBI under the Securities and Exchange Board of India (Stockbrokers and Sub Brokers Regulations), 1992, having terminals in any of the Non-Syndicate Broker Centres, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer Document	Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the

Terms	Description
	Floor Price. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and Gandhinagar edition of Financial Express (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered is situated) at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective website.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	The 'no-lien' and 'non-interest bearing' account to be opened in accordance with Section 40(3) of the Companies Act, with the Public Issue Account Bank(s) to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 9,72,000 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 BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being HDFC Bank.
Registrar / Registrar to the Issue	Registrar to the Issue being Link Intime India Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors / (RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who apply or bid for the Equity Shares of a value of not more than ₹ 2,00,000.
Registered Brokers	Stockbrokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI.
Reserved Category/ Categories	Categories of persons eligible for making bids under the reservation portion.

Terms	Description
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018.
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s).
Self-Certified Syndicate Bank(s) or SCSB(s)	<p>The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> &amp; <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=ys&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=ys&amp;intmId=35</a>, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>, or such other website as may be prescribed by SEBI from time to time.</p> <p>Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>, as updated from time to time</p>
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	Agreement to be entered into among our Company, the Book Running Lead Managers, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Intermediaries (other than Book Running Lead Managers) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Issue and carry out activities as an underwriter.
Syndicate or members of the Syndicate	Together, the Book Running Lead Managers and the Syndicate Members
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated July 26, 2024
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual Bidders applying as Retail Individual Bidders in the Retail

Terms	Description
	Portion, and individual Bidders applying as Non-Institutional Bidders with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion by using the UPI Mechanism.
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
UPI ID	ID created on UPI for a single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
WACA	Weighted Average Cost of Acquisition
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business.  However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Prospectus are open for business.  In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

#### TECHNICAL AND INDUSTRY RELATED TERMS/ ABBREVIATIONS

Term	Description
BQC	Bidder Qualification Criteria
CBM	Coal Bed Methane
CGD	City Gas Distribution
CNG	Compressed Natural Gas
DDF	Diesel Dual Fuel
DLP	Defect Liability Period

Term	Description
DSF	Discovered Small Fields
EIC	Engineer-In-Charge
EMD	Earnest Money Deposit
EPC	Engineering, Procurement and Construction
GA	Geographical Area
ISO	International Organisation for Standardisation
LNG	Liquified Natural Gas
MMBTU	Metric Million British Thermal Unit
MMSCMD	Million Metric Standard Cubic Metre per Day
MOPNG	Ministry of Petroleum and Natural Gas
O&G	Oil and Gas
O&M	Operation & Maintenance
OEM	Original Equipment Manufacturer
OMC	Oil Marketing Company
Order Book	Unexecuted portions of our outstanding orders, that is, the total contract value of the existing contracts secured by us, as reduced by the value of work executed and billed until the date of such order book.
PBG	Performance Bank Guarantee
PESO	Petroleum and Explosives Safety Organisation
PMC	Project Management Consultant
PNG	Piped Natural Gas
PNGRB	Petroleum and Natural Gas Regulatory Board
PSU	Public Sector Undertakings
RFP	Request For Proposal
ROU	Right Of Use
SCM	Standard Cubic Metre
T4S Guidelines	Technical Standards and Specifications including Safety Standards Guidelines
UFT	Unified Tariff

#### CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account
AI	Anchor Investor
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax

Term	Description
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director identification number
DP/ Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant's Identification
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EMDE	Emerging Market and Developing Economy
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding



Term	Description
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NSE	National Stock Exchanges of India Limited
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the NSE
STT	Securities Transaction Tax

Term	Description
TDS	Tax Deducted at Source
TIN	Taxpayer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCFs	<p>Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.</p> <p>In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.</p>

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## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

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

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Positron”, “PEL”, and, unless the context otherwise indicates or implies, refers to Positron Energy Limited. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus. Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in IST.

### Use of Financial Data

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year/Financial Year are to the year ended on March 31, of that calendar year. Certain other financial information pertaining to our Group Companies are derived from their respective audited financial statements.

Unless stated otherwise, the financial information, financial ratios and any percentage amounts in the Red Herring Prospectus is derived from restated financial statements prepared for the year ended on March 31, 2024, 2023 and 2022 in accordance with Indian GAAP, the Companies Act, SEBI (ICDR) Regulations and the guidance note on reports in company prospectuses (revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time.

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

For additional definitions used in this Red Herring Prospectus, please refer to the section titled “*Definitions and Abbreviations*” beginning from page no. 1 of this Red Herring Prospectus. In the chapter titled “*Description of Equity Shares and Terms of the Articles of Association*”, beginning from page no. 254 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. 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 numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

### Currency and Units of Presentation

All references to:

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

Our Company has presented certain numerical information in this Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the

amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

### Currency and Units of Presentation

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

Currency*	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.34	82.11	75.90

\*Source: <https://www.xe.com/>

Note: Exchange rate is rounded off to two decimal point

### Use of Industry & Market Data

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

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

The extent to which industry and market data set forth in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. The data used in these sources may have been reclassified by us for the purposes of presentation. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in section titled "*Risk Factors*" beginning from page no. 20.

In accordance with the SEBI (ICDR) Regulations, the chapter titled "*Basis for Issue Price*" beginning from page no. 84 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

## FORWARD – LOOKING STATEMENTS

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding business matters that are not historical facts. We have included statements in the Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to attract, retain and manage qualified personnel;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to expand our geographical area of operation
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products/services;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause our actual results to differ, please refer to the section titled “*Risk Factors*”; “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning from page no. 20, 109 and 179 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date

hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II - SUMMARY OF RED HERRING PROSPECTUS

*This section is a general summary of the terms of the Issue, certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled “Risk Factors”, “Industry Overview”, “Business Overview”, “Capital Structure”, “The Issue”, “Restated Financial Information”, “Objects of the Issue” “Our Promoters and Promoter Group”, “Management’s Discussions and Analysis of Financial Position and Results of Operations”, “Outstanding Litigation and Material Developments” and “Issue Procedure” on pages 28, 94, 109, 61, 48, 177, 75, 172, 179, 192 and 226, respectively.*

### SUMMARY OF PRIMARY BUSINESS OF THE COMPANY

Our Company for the initially 11 years were mere engaged in the Management & Technical Advisory Services of Oil and Gas Industry. Later on, in the FY 2018-19, our promoters planned to commence the aggregation business of Coal Bed Methan Gas (CBM) for supplying to industrial unit. After having successful business of CBM Gas aggregation also, as per the demand of industrial units, our Company in July 2022 decided to aggressively commence the business of Natural Gas aggregation for such industrial unit.

Our Company was started by our Promoters Mr. Rajiv Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan. Our Promoters have combined experience of more than 45 years in the Gas and Oil Industry. Our Promoters have been pillars of our Company’s growth and have built a strong value and eco - system. With their enriching experience and progressive thinking, we aim to continue to grow in the Oil & Gas industry.

We are engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas. Our technical qualifications and empanelment with most industrial customers attest to our reliability and competence. Moreover, distribution of Natural gas is facilitated through common carrier pipeline networks operated by major public and private sector players in the Indian market.

Our Company is an ISO 9001:2015 and ISO 45001:2018 certified company. The quality certification is towards providing consultancy services, O&M services to the Oil & Gas sector. We have in-house capabilities to deliver a project from conceptualization to completion with fast turnaround time from acquisition to launch to completion, which focuses on de-risking and improving return on investment. Our core competence lies in professional management and attracting and retaining talent to maximize value creation. Since incorporation, we have provided services to major companies which are engaged in the Oil & Gas Sector, including both PSUs and private companies. Our Company has demonstrated a prominent presence in the Oil and Gas Sector and has developed significant expertise and competencies in this field. Our Company aims to leverage its strength and continue expansion into the Oil and Gas sector lead our company to desired growth trajectory.

In addition to our operational endeavours, our business is secured with the Indian Gas Exchange (IGX) through its clearing member. This client membership enables us to source natural gas on-demand for our short-term requirements from the free market, where prices are determined through a transparent exchange mechanism. Moreover, it also provides flexibility to offload excess Gas if necessary. As at March 31, 2024, our portfolio includes a substantial daily volume of 4000-5000 MMBTU of gas from various sources. We engage in long-term contracts linked with formulas, determined through mutual discussions with our customers.

Our services are consistent round the year. We are a quality conscious company. We are constantly striving to expand our service portfolio and we always look forward to complementing projects of our clients

Our Company has entered into collaboration agreement with ICOM North America LLC (New Hudson, MI) for installation of ICOM Dual Fuel LNG conversion systems in on-road trucks weighing over 3.5 tons in India. The new system will result in reduction in emissions with the utilization of LNG contributing to environmental sustainability. The dual-fuel system allows for cost-effective operation with the flexibility of fuel ratios. The product has undergone thorough testing under Indian operating conditions, ensuring optimal performance and reliability. We are currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI).

For further details kindly refer to chapter titled “Business Overview” beginning on page 109 of this Red Herring Prospectus.

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

## GLOBAL OUTLOOK

The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year's peaks, it is too soon to take comfort. Economic activity still falls short of its pre-pandemic path, especially in emerging markets and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geo economic fragmentation. Others are more cyclical in nature, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. The projections remain below the historical (2000–19) average of 3.8 percent, and the forecast for 2024 is down by 0.1 percentage point from the July 2023 Update to the World Economic Outlook. For advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have modestly decline growth, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases. Risks to the outlook are more balanced than they were six months ago, on account of the resolution of US debt ceiling tensions and Swiss and US authorities' having acted decisively to contain financial turbulence. The likelihood of a hard landing has receded, but the balance of risks to global growth remains tilted to the downside. China's property sector crisis could deepen, with global spill overs, particularly for commodity exporters. Near-term inflation expectations have risen and could contribute—along with tight labour markets—to core inflation pressures persisting and requiring higher policy rates than expected. More climate and geopolitical shocks could cause additional food and energy price spikes. Intensifying geoeconomic fragmentation could constrain the flow of commodities across markets, causing additional price volatility and complicating the green transition. Amid rising debt service costs, more than half of low-income developing countries are in or at high risk of debt distress. There is little margin for error on the policy front. Central banks need to restore price stability while using policy tools to relieve potential financial stress when needed. Effective monetary policy frameworks and communication are vital for anchoring expectations and minimising the output costs of disinflation. Fiscal policymakers should rebuild budgetary room for maneuver and withdraw non targeted measures while protecting the vulnerable. Reforms to reduce structural impediments to growth—by, among other things, encouraging labour market participation—would smooth the decline of inflation to target and facilitate debt reduction. Faster and more efficient multilateral coordination is needed on debt resolution to avoid debt distress. Cooperation is needed as well to mitigate the effects of climate change and speed up the green transition by ensuring steady cross-border flows of the necessary minerals

*(Source: World Economic Outlook by IMF, October 2023)*

## INDIAN ECONOMY

For India, 2022 was special. It marked the 75th year of India's Independence. India became the world's fifth largest economy, measured in current dollars. Come March, the nominal GDP of India will be around US\$ 3.5 trillion. In real terms, the economy is expected to grow at 7 per cent for the year ending March 2023. This follows an 8.7 per cent growth in the previous financial year. The rise in consumer prices has slowed considerably. The annual rate of inflation is below 6 per cent. Wholesale prices are rising at a rate below 5 per cent. The export of goods and services in the first nine months of the financial year (April – December) is up 16 per cent compared to the same period in 2021-22. Although the high oil price this year compared to last inflated India's import bill and caused the merchandise trade deficit to balloon, concerns over the current account deficit and its financing have ebbed as the year rolled on. Foreign exchange reserve levels are comfortable and external debt is low. India had a good monsoon, and reservoir levels are higher than last year and the 10-year average. The fundamentals of the Indian economy are sound as it enters its Amrit Kaal, the 25-year journey towards its centenary as a modern, independent nation. Policies pursued carefully and consciously have ensured that the recovery is robust and sustainable.

*(Source: Indian Economic Survey 2023)*

## OIL AND GAS INDUSTRY: INDIAN PERSPECTIVE

The oil and gas sector is among the eight core industries in India and plays a major role in influencing the decision-making for all the other important sections of the economy.



India's economic growth is closely related to its energy demand, therefore, the need for oil and gas is projected to increase, thereby making the sector quite conducive for investment. India retained its spot as the third-largest consumer of oil in the world as of 2022.

The Government has adopted several policies to fulfill the increasing demand. It has allowed 100% foreign direct investment (FDI) in many segments of the sector, including natural gas, petroleum products and refineries, among others. The FDI limit for public sector refining projects has been raised to 49% without any disinvestment or dilution of domestic equity in existing PSUs. Today, it attracts both domestic and foreign investment, as attested by the presence of companies such as Reliance Industries Ltd (RIL) and Cairn India. The industry is expected to attract US\$ 25 billion investment in exploration and production by 2022. India is already a refining hub with 23 refineries, and expansion is planned for tapping foreign investment in export-oriented infrastructure, including product pipelines and export terminals.

India's crude oil production in FY23 stood at 29.2 MMT (33.66 BCM).

(Source: *Oil and Gas Industry in India* by IBEF, October 2023)

For further details kindly refer to chapter titled "Industry Overview" beginning on page 94 of this Red Herring Prospectus.

## NAME OF PROMOTERS

Promoters of Our Company are Mr. Rajiv Shankarankutty Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan. For detailed information on our Promoters and Promoter's Group, please refer to the chapter titled "Our Promoters and Promoter's Group" beginning from page no. 172 of this Red Herring Prospectus.

## SIZE OF THE ISSUE

Our Company is Proposing the Public Issue of 20,48,400 Equity Shares of Face Value of ₹ 10/- Each of Positron Energy Limited ("PEL", "Positron" or the "Company" or the "Issuer") for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the "Issue Price") aggregating to ₹ [●] lakhs ("the issue"), of which 1,02,600 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the issue (the "market maker reservation portion"). The issue less the market maker reservation portion i.e. Net issue of 19,45,800 equity shares of face value of ₹ 10/- each at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs is herein after referred to as the "net issue". The issue and the net issue will constitute 26.95% and 25.60%, respectively, of the post issue paid up equity share capital of our company.

For further details kindly refer to chapters titled "The Issue" and "Terms of the Issue" beginning on page 48 and 216 of this Red Herring Prospectus.

## OBJECT OF THE ISSUE

The Net Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Gross Proceeds
1.	To Meet Working Capital Requirements	3,820.00	[●]
2.	General Corporate Purposes <sup>^</sup>	[●]	[●]
<b>Net Issue Proceeds</b>		[●]	[●]

<sup>^</sup>To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

\*\*The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

## AGGREGATE PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER'S GROUP

The aggregate pre-Issue shareholding of our Promoters and the members of the Promoter Group as a percentage of the pre-Issue paid-up Equity Share capital of our Company is set out below:

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Promoters</b>					
1	Rajiv Shankarankutty Menon	17,12,000	30.84	17,12,000	22.53
2	Manav Bahri	17,12,000	30.84	17,12,000	22.53
3	Sujit K Sugathan	17,68,000	31.83	17,68,000	23.26
<b>Total - A</b>		<b>51,92,000</b>	<b>93.51</b>	<b>51,92,000</b>	<b>68.31</b>
<b>Promoter Group</b>					
1	Annapoorna Sujit	56,000	1.01	56,000	0.74
2	Rashmi Manav Bahri	1,12,000	2.02	1,12,000	1.47
3	Rachana Rajiv Menon	1,12,000	2.02	1,12,000	1.47
<b>Total - B</b>		<b>2,80,000</b>	<b>5.05</b>	<b>2,80,000</b>	<b>3.68</b>
Total Promoters & Promoters Group Shareholding		54,72,000	98.56	<b>54,72,000</b>	<b>72.00</b>
<b>Public</b>					
1	Koikalethu Abraham Liji	80,000	1.44	80,000	1.05
2	Public in IPO	-	-	20,48,400	26.95
<b>Total - C</b>		<b>80,000</b>	<b>1.44</b>	<b>21,28,400</b>	<b>28.00</b>
<b>Total (A+B+C)</b>		<b>55,52,000</b>	<b>100.00</b>	<b>76,00,400</b>	<b>100.00</b>

\*Rounded off

## FINANCIAL DETAILS

Based on Restated Consolidated Financial Statements for the year ended as on March 31, 2024, 2023 and 2022

(₹ in Lakhs except stated otherwise)

Particulars	For the Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Share Capital	555.20	34.70	34.70
Net worth	1,489.26	566.87	354.45
Revenue From Operations	13,473.25	5,142.64	869.04
EBITDA	1,204.27	299.74	88.97
Restated Profit/(Loss) After Tax	878.78	212.80	57.98
Basic and Diluted EPS (In ₹)	15.83	3.83	1.04
Restated Net Asset Value per Equity Share (In ₹)	26.82	10.21	6.38
Total Borrowings	1,027.90	741.81	368.33

For further details, see "Summary of Financial Information", "Other Financial Information" and "Basis for the Issue Price" on pages 50, 178 and 84.

## QUALIFICATIONS OF THE STATUTORY AUDITOR WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

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

## SUMMARY OF OUTSTANDING LITIGATIONS

There are no pending Litigation against our Company, our Group Companies, our Promoters or Directors of the company except mentioned below:

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
<b>Of the Company</b>		
(IT) <sup>1</sup>	1	0.49

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
(TDS)	1	0.18
(GST)	Nil	Nil
<b>Of the Group Companies</b>		
Positron Gas Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Not Applicable	Not Applicable
Positron Venture Private Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Nil	Nil
Sairama Infrastructure Private Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Not Applicable	Not Applicable
<b>Of the Promoters and Directors</b>		
	Nil	Nil

<sup>1</sup> There is an outstanding demand of Rs. 49,310.00 for the Assessment Year 2012 against the Issuer Company

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer Document, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Issue Document could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Issue Document may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Specific attention of the investors is invited to the section titled “*Risk Factors*” beginning on page no. 28 of this Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Following are the contingent liabilities and capital commitments of our company as on date of filing Red Herring Prospects of the company except as disclosed below:

(₹ in lakhs)

Particulars	For the Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Guarantees (Including Guarantees given for director’s loan)	2911.62	848.73	275.49
Disputed Tax & other matters	0.49	0.49	0.49
<b>Total</b>	<b>2912.11</b>	<b>849.22</b>	<b>275.98</b>

For further details of the contingent liabilities of our Company as on March 31, 2024, please refer **Annexure -V** in the chapter titled “*Restated Financial Information*” beginning from page no. 177.

## FINANCING ARRANGEMENTS

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

## WEIGHTED AVERAGE COST OF ACQUISITION BY OUR PROMOTERS

**Average cost of acquisition of Equity Shares held by our Promoters:**

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *#
1.	Mr. Rajiv Shankarankutty Menon	17,12,000	0.82
2.	Mr. Manav Bahri	17,12,000	0.82
3.	Mr. Sujit K Sugathan	17,68,000	0.89

\*As certified by our Statutory Auditor, M/s. S V J K & Associates, Chartered Accountants, by way of their certificate dated March 07, 2024

**PRE-IPO PLACEMENT**

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

**COST OF ACQUISITION & WEIGHTED AVERAGE COST**

**Weighted average price at which the Equity Shares were acquired by our Promoters in the one year preceding the date of this Red Herring Prospectus**

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *#
1.	Mr. Rajiv Shankarankutty Menon	16,05,000	Nil
2.	Mr. Manav Bahri	16,05,000	Nil
3.	Mr. Sujit K Sugathan	16,57,500	Nil

\*As certified by our Statutory Auditor, M/s. S V J K & Associates, Chartered Accountants, by way of their certificate dated March 07, 2024

**AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTER**

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

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Rajiv Shankarankutty Menon	16,05,000	10	Nil
2.	Manav Bahri	16,05,000	10	Nil
3.	Sujit K Sugathan	16,57,500	10	Nil
4.	Annapoorna Sujit	52,500	10	Nil
5.	Rashmi Manav Bahri	1,05,000	10	Nil
6.	Koikalethu Abraham Liji	75,000	10	Nil
7.	Rachana Rajiv Menon	1,05,000	10	Nil
<b>Total</b>		<b>52,05,000</b>		

**SPLIT / CONSOLIDATION**

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

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

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

**RELATED PARTY TRANSACTION**
**List of Related Parties where Control exists and Relationships:**

Sr. No	Name of the Related Party	Relationship
1)	Positron Venture Pvt Ltd	Entities in which Key Management Personnel

Sr. No	Name of the Related Party	Relationship
2)	Sairama infraenergy private limited	(KMP)/relative of KMP exercise significant influence
3)	Positron Gas Ltd (27.35% Shareholding)	Associate Company
4)	Calcutta Compression & Liquefaction Engineering Limited (CC&L)	
5)	Rajiv Menon	Managing Director
6)	Sujit Sugathan	Whole-time Director
7)	Manav Bahari	Whole-time Director
8)	Annapoorna Sujit	Relative of KMP
9)	Rachana Menon	Relative of KMP
10)	Rashmi Bahari	Relative of KMP

(₹ in lakhs)

Transactions during the year:	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Sales</b>			
Positron Gas Limited - Gas Sale	326.07	713.03	427.70
Positron Gas Limited	-	-	-
Positron Venture Limited	-	-	-
CC&L	-	-	-
<b>Purchase of Capital Goods</b>			
CC&L	-	-	-
<b>Payment Received</b>			
Positron Gas Limited - Gas Sale	427.86	787.96	388.81
Positron Gas Limited	21.66	54.28	2.15
Positron Venture Limited	1.84	-	-
CC&L	-	-	-
<b>Loans Taken</b>			
Manav Bahari	9.00	117.00	26.00
Rajiv Memon	30.00	155.00	82.90
Sujit Sugathan	45.00	115.50	30.00
Annapoorna Sujit	-	-	20.00
Rachna Rajiv Menon	-	-	20.00
Rashmi Bahari	-	-	9.00
<b>Loan Repaid</b>			
Manav Bahari	-	22.00	1.50
Rajiv Memon	-	15.00	1.50
Sujit Sugathan	-	-	2.00
Annapoorna Sujit	20.00	-	-
Rachna Rajiv Menon	20.00	-	-

Transactions during the year:	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
Rashmi Bahari	9.00	-	-
<b>Rental Income</b>			
Positron Gas Limited		45.01	24.78
<b>Director Remuneration and Professional Fees</b>			
Sujit Sugathan	42.52	45.06	40.37
Manav Bahari	42.52	45.06	40.37
Rajiv Memon	38.00	36.00	31.31
<b>Reimbursement of Expenses</b>			
Positron Gas Limited	-	-	-
Sujit Sugathan	-	0.60	-
Manav Bahari	-	-	-
Rajiv Memon	-	-	-
Positron Gas Limited - Gas Sale	-	0.32	-

(₹ in lakhs)

Outstanding Balances	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Unsecured Loans</b>			
Manav Bahari	134.88	125.88	30.88
Rajiv Memon	257.78	227.78	87.78
Sujit Sugathan	194.88	149.88	34.38
Annapoorna Sujit	-	20.00	20.00
Rachna Rajiv Menon	-	20.00	20.00
Rashmi Bahari	-	9.00	9.00
<b>Trade Receivable</b>			
Positron Gas Limited - Gas Sale	-	28.10	103.34
Positron Gas Limited	-	14.60	24.73
Positron Venture Limited	-	-	-
CC&L	-	-	-
<b>Trade Payables</b>			
Manav Bahari	38.01	28.46	22.97
Rajiv Memon	25.88	13.31	10.36
Sujit Sugathan	30.98	19.87	14.78
Positron Gas Limited	7.06	-	-
Positron Gas Limited - Gas Sale	0.05	-	-

### SECTION III - RISK FACTOR

Any investment in equity securities involves a high degree of risk. Investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 109, 48, 94, 177, 192, and 179 respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus.

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

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

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

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

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

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

#### INTERNAL RISK FACTORS

1. **We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.**

A summary of outstanding matters set out below includes details of civil proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoters and Group Companies, as at the date of this Red Herring Prospectus.

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
<b>Of the Company</b>		
(IT) <sup>1</sup>	1	0.49
(TDS)	1	0.18
(GST)	Nil	Nil
<b>Of the Group Companies</b>		
Positron Gas Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Not Applicable	Not Applicable

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
Positron Venture Private Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Nil	Nil
Sairama Infrastructure Private Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Not Applicable	Not Applicable
<b>Of the Promoters and Directors</b>	Nil	Nil

*1. There is an outstanding demand of Rs. 49,310.00 for the Assessment Year 2012 against the Issuer Company*

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 192 of this Red Herring Prospectus.

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

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

**The details of Working Capital requirements are as follows:**

(₹ in Lakhs)

Particulars	(Restated Basis)		
	31-Mar-24	31-Mar-23	31-Mar-22
<b>Inventories</b>			
Stock-in-trade	268.62	382.62	102.32
Investment held under lien	1,183.74	571.81	323.32
Trade receivables	1,458.06	988.84	208.43
Cash and cash equivalents	560.98	181.82	57.55
Loans and Advances	39.20	54.27	40.04
Other Assets	85.93	133.68	33.55



Particulars	(Restated Basis)		
	31-Mar-24	31-Mar-23	31-Mar-22
<b>Total Current Assets</b>	<b>3,596.52</b>	<b>2,313.03</b>	<b>765.21</b>
Trade payables	509.88	747.67	30.61
Other Liabilities	637.11	413.49	181.37
Short-term provisions	117.21	0.09	0.06
<b>Total Current Liabilities</b>	<b>1,264.21</b>	<b>1,161.25</b>	<b>212.04</b>
<b>Net Working Capital</b>	<b>2,332.32</b>	<b>1,151.78</b>	<b>553.17</b>
<b>Sources of Funds</b>			
Internal Accruals/ Borrowing <sup>[1]</sup>	2,332.32	1,151.78	553.17
Proceeds from IPO*	0.00	0.00	0.00
<b>Total</b>	<b>2,332.32</b>	<b>1,151.78</b>	<b>553.17</b>

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

**3. We do not own our registered office.**

Our registered office premises situated at Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007 is taken on lease basis, for details related to premises taken on lease basis please refer the “Detail of immovable property” in the section “Business Overview” appearing on page no. 109 of this Red Herring Prospectus.

Termination of our lease may occur for any reasons beyond our control and we may have to relocate to alternative premises or shut down our operations at such existing premises. Relocation of any part of our operations may cause disruptions to our business and may require additional expenditure, and we cannot assure you that in such a case, we will be able to find suitable premises on commercially reasonable terms in a timely manner, if at all or we may have to pay significantly higher rent or incur additional expenses towards interiors. Occurrence of any of these factors may materially and adversely affect our business, results of operations and financial condition. Further any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate, breach of the contractual terms of any lease, or any inability to renew such agreements on acceptable terms may adversely affect our business operations.

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

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

(₹ in Lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Net Cash Flow from operating Activities	635.19	99.09	(69.17)

**5. We are dependent on third parties for sourcing natural gas. Any disruption in the receipt of such natural gas from these third parties could lead to a disruption or failure in the supply of natural gas by us, which could adversely affect our business, reputation, results of operations and cash flows.**

We have entered into certain natural gas sale and purchase agreements (“GSPAs”) with third-party gas suppliers. While we are entitled to liquidated damages in the event our suppliers fail to provide us with the adequate quantity of natural gas as prescribed under the GSPAs and that such liquidated damages will be sufficient to cover the losses. Further, our suppliers are required to supply natural gas of a specified quality under the GSPAs. However, in the event we do not receive natural gas as per the specified quality, our GSPAs require us to use all reasonable endeavours to accept delivery of such natural gas. While we have the recourse of rejecting such natural gas which does not meet the specifications after using reasonable endeavours, we cannot assure our customers that they will receive similar quality of natural gas consistently and in an uninterrupted manner. Our Natural Gas supply may also be affected in the event there is any disruption due to the breakdown in our suppliers’ network infrastructure. The Company has the recourse for compensation in case of default by the supplier. There can be no assurance that we will be able to obtain natural gas supplies in sufficient quantities and acceptable qualities, and on commercially acceptable terms, or at all. We may also have to purchase natural gas at a significantly higher price from alternative sources for carrying out our operations, which could have an adverse effect on our business, financial condition, cash flows and results of operations.

**6. *The Company is dependent on a few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.***

Our top ten customers contributed 77.77%, 87.55% and 95.42% of our total sales for the financial year ended on March 31, 2024, 2023 and 2022, respectively. Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations.

However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

**7. *We may be subject to third-party indemnification, liability claims or invocation of guarantees, which may adversely affect our business, cash flows, results of operations and reputation.***

Some of the agreements that we have entered into with third parties place indemnity obligations on us that require us to compensate such third parties for loss or damage suffered by them on account of a default or breach by us. In the event that such third parties successfully invoke these indemnity clauses under their respective agreements, we may be liable to compensate them for loss or damage suffered in respect of such agreements, which may adversely affect our financial condition.

**The following table set forth, are the Contingent Liability:**

Particulars	(₹ in lakhs)		
	For the Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Guarantees (Including Guarantees given for director’s loan)	2911.62	848.73	275.49
Disputed Tax & other matters	0.49	0.49	0.49
<b>Total</b>	<b>2912.11</b>	<b>849.22</b>	<b>275.98</b>

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

We have secured outstanding debt of ₹ 395.38 lakhs and utilized bank guarantees of ₹ 2911.62 lakhs as on March 31, 2024 and we have secured our lenders by creating charge over our movable and immovable properties. In the event we default in repayment of the loans availed by us and any interest thereof, our properties may be forfeited by lenders. It may have a material adverse effect on the business, cash flows and financial condition of our company. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to section titled “Restated Financial Information” on page 177 of this Red Herring Prospectus.

**9. Our Restated Financial Statements are prepared and signed by the Peer Review Auditor who is not Statutory Auditors of our Company as required under the provisions of ICDR.**

The Restated Financial Statements of our Company for the financial year ended March 31 2024, 2023 and 2022 respectively are prepared and signed by M/s S V J K and Associates, Chartered Accountants, the Peer Review Auditor of our Company who is not statutory auditor of our Company. Our Statutory Auditor M/s. Abhishek Kumar & Associates, Chartered Accountants has also a Peer Review Auditor.

**10. Our Company has availed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.**

As on March 31, 2024, our Company has unsecured loans amounting to ₹ 587.53 lakhs from directors and ₹ 45.00 from other lender of the company that are repayable on demand to them. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition. For further details of unsecured loans of our Company, please refer “Note 3” respectively under chapter titled “Restated Financial Information” beginning on page 177 of this Red Herring Prospectus.

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

As of March 31, 2024, we have ₹ 273.13 Lakhs of outstanding working capital, Unsecured Loan of ₹ 632.53 lakhs and Outstanding Bank Guarantees of ₹ 2911.62 Lakhs as per restated financials of the Company.

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

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

**12. We may be seriously affected by delays in the collection of receivables from our clients and may not be able to recover adequately on our claims.**

There may be delays in the collection of receivables from our customers or entities owned, controlled or funded by our customers or their related parties. Because of the nature of our contracts, we sometimes commit resources to projects prior to receiving adequate payments from clients in amounts sufficient to cover expenditures as they are incurred. From time to time, it may be difficult for us to collect payments owed to us by these clients. In addition, our clients may request extension of the payment terms otherwise agreed to under our contracts. As of March 31, 2024, out of total trade receivables ₹ 1,458.06 Lakhs, ₹ 11.63 Lakhs (constituting approximately 0.80% of our total trade receivables) had been outstanding for a period exceeding six months from their respective due dates. Additionally, we may claim for more payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. These claims typically arise from changes in the initial scope of work or from delays caused by the clients. The costs associated with these changes or client caused delays include additional direct costs, such as labour and material costs associated with the performance of the additional work, as well as indirect costs that may arise due to delays in the completion of the project, such as increased labour costs resulting from changes in labour markets.

We may not always have the protection of escalation clauses in our contracts or supplemental agreement in respect of the additional work to support our claims. Where we have escalation clauses in our agreements, we may seek to enforce our contractual rights. However, our clients may interpret such clauses restrictively and dispute our claims. These claims are thus often subject to lengthy arbitration, litigation or other dispute resolution proceedings. We cannot assure you that we may be able to recover, in part or full, any such present or future claims. Further, our debtors may have insufficient assets to pay the amounts owed to us even if such proceedings are decided in our favour. In addition, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. As we often need to fulfill significant working capital requirements in our operations, delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

Further, some of the projects that we are currently undertaking, and propose to undertake in the future, are projects with relatively longer gestation periods, which have inherent risks flowing from uncertainty in the business environment. Changes in the business environment and external economic factors can affect the creditworthiness of our clients. Unfavorable changes may lead to weakening of their creditworthiness which has a negative impact on their paying capacities. This can result in delayed payments made to us. Delays in our payments can adversely affect the cash flow position as well as the revenues or profits of our Company, consequently affecting its business and operations.

- 13. *We have executed Gas Sales Agreements (GSAs) with our Suppliers. These contracts have contractual obligations on both sides. Both the parties must ensure that the provisions of the GSA are followed meticulously. Among the various Terms in the GSA, the Obligation arising out of Take or Pay clause adversely impacts the Buyer. Failure to abide by the provisions of the GSA, especially Take or Pay obligation could adversely affect our business, reputation, results of operations and cash flows.***

We have executed Gas Sales Agreements with our Suppliers. The GSA outlines the modus operandi of the Gas Supply arrangement. It details the roles, responsibilities, and remedial action for each party in case of a default. It also mentions the financial obligations and liabilities that may arise under the various scenarios that may arise during the tenure of the GSA.

One of the key critical terms of the GSA is the Take or Pay obligation (ToP). This arrangement stipulates that the buyer must either take delivery of an agreed Quantity of gas under the GSA or pay for the said quantity even if it is not taken. The key Risks associated are Demand Fluctuations which could be influenced by economic conditions, seasonal variations, or other factors and also the risk of Price Volatility leading to reduction in prices of Gas from other Sources of Natural Gas and also Alternate Fuels.

By incorporating flexibility clauses, indexed pricing, effective negotiation, and periodic contract reviews, both parties can mitigate these risks and maintain a mutually beneficial and enduring business relationship. The Top Obligations result in Cash flow issues for the Buyer. This further impacts the revenue generation and creates a burden on the Buyer. These are mitigated by having longer duration and a lower commitment of the guaranteed offtake of the agreed Quantity. Further, the GSA provides for make up rights to recover in case such a scenario arises.

- 14. *We are dependent on third parties for transportation of natural gas. Any disruption, delay or default in timely transportation of the natural gas could lead to a disruption or failure in the supply of natural gas by us, which could adversely affect our business, reputation, results of operations and cash flows.***

We have entered into gas transportation agreements (“GTAs”) for transportation of natural gas from our suppliers pursuant to our GSAs. Any disruption in the transportation network under the GTAs could result in delays or defaults in timely distribution of natural gas to our customers. While there have been no such instances of disruption in the distribution of natural gas as on the date of this Red Herring Prospectus, any delay or inability of the transporter to transmit natural gas to our customers in a timely manner, or at all, would impact our operations, which could have an adverse effect on our business, financial condition, cash flows and results of operations. The GTAs typically have a provision of Transport or Pay implying that we must pay for the Capacity of the Tranche as agreed under the GTA even if we have not transported the quantity of Natural Gas.

- 15. *Company is obtaining approximately 80% of its total supplies of natural gas from two major private suppliers of the Country. Any disruption in the supplies from these companies will adversely affect our business, reputation, results of operations and cash flows.***

Our Company has entered into agreement for supply of molecules from two major private sector suppliers for its requirement for downstream supply to its end users. Approximately 80% of the total gas requirement of the Company is met through the two suppliers. We cannot assure that we will be able to get the same quantity and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue to seek new suppliers for our product for better quality and price in the normal course of business. There are six LNG terminals operational in the Country from which the Company can source its supplies in case of need but it may not be at optimum price.

Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

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

We intend to use a substantial portion of the Net Issue Proceeds towards meeting the working capital requirement. We intend to deploy the Net Proceeds in the financial year 2024-25 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” on page 75 of this Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in chapter titled “Objects of the Issue” on page 75 of this Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue, subject to approval from Shareholders of the Company. Our Board of Directors and its Audit Committee will monitor the proceeds of this Issue.

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

The funds that we receive would be utilized for the objects of the Issue as has been stated in the chapter titled “Objects of The Issue” on Page no. 75 of this Red Herring Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, it may adversely affect our revenues and results of operations.

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

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer chapter titled “Object for the Issue” beginning on page 75 of this Red Herring Prospectus.

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

We require certain statutory and regulatory approvals, licenses, registrations and permissions, and certain applications have been made at the appropriate stages to the relevant authorities for operating our business. If we fail to obtain, maintain and renew any of such approvals or licenses, in a timely manner or at all, the projects for which such licenses are required, our business may be adversely affected. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. Our government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and require substantial expenditure. If we fail to comply, or a regulator claims we have not complied, with these conditions, our business, financial conditions and results of operations would be materially adversely affected. For further information, please see the section titled “Government and Other Approvals” on page 195 of this Red Herring Prospectus.

- 20. *We are subject to laws and regulations of MoPNG, PNGRB and other authorities which regulate our business and operations.***

MoPNG and PNGRB regulate many aspects of our operations, including transportation, distribution, marketing and sale of natural gas. As the regulatory environment for our industry increases in complexity, the risk of non-compliance could also increase. If we fail to comply with applicable laws and regulations, whether existing or new, we could be subject to fines, penalties or other enforcement action by the authorities which regulate our business and operations. Any violation of the laws and regulation will impact our business.

**21. We are dependent on Government policies. Any adverse change in the Government Policies may affect the business, reputation, operations and cash flows.**

The Government has recently constituted ‘Kirit Parikh Committee’ with a task to suggest a fair price mechanism for natural gas supplies to end consumers. The Government can restrict the margin on the Selling Price which may adversely affect the revenue from this business. Owing to such an evolving regulatory environment, we may be subject to price fluctuations of natural gas which may have a corresponding impact on our business and revenue from operations. In case of any changes in the allocation criteria, Pricing Guidelines or the variables used in the Pricing Guidelines, the cost price of natural gas could increase. Further, any reduction in the volume of domestic natural gas allocated for the Priority Sector or a withdrawal of the policy entirely may impact the price of natural gas, our business, results of operations and cash flows. Further the large Oil Marketing Companies may influence the government policy decisions favouring themselves which may not be in favour of our Company’s growth prospect.

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

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

The table below provides details of the aggregate coverage of the insurance policies obtained by as a percentage of our total assets:

Particulars	(₹ in Lakhs except mentioned)
Aggregate Coverage of Insurance Policies (In ₹ Lakhs)	537.72
As a percentage of total assets	14.19%

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. For further information on our insurance arrangements, please refer to the heading titled “Insurance Policies” under chapter titled “Business Overview” beginning from page 109 of this Red Herring Prospectus.

**23. Different VAT taxation regimes in different States adversely affect the Company’s capability of supplying the gas at optimum price to its end users.**

Since VAT is a State subject, the rate at which the gas is taxed in different States is different. As the Company is procuring the gas in one State and supplying gas to its customers in various States, it is not possible for it to optimize the end user price in a profitable manner in all such contracts. Though the Company is mitigating the risk by meticulously applying the applicable VAT for the pricing in various states, it is possible that it may incur some loss in some of the States because of the fluctuation in the pricing.

The Indian tax regime is currently undergoing substantial changes which could adversely affect our business. Further, the Sector can get adversely impacted in case GST is made applicable for the Oil & Gas Sector.

**24. In the event alternative fuels become more economically feasible, our business, results of operations and cash flows could be impacted.**

The price at which we sell natural gas is benchmarked to the price of alternate fuels available to our customers such as furnace oil, high speed diesel, other liquid fuels and Commercial LPG. Prices of alternative fuels are linked to the price of crude oil. As such, despite the benchmarking of the price of natural gas to the price of alternative fuels, any decrease in the prices of crude oil or other alternative fuels such that natural gas becomes a relatively expensive option for our customers, could result in a shift in customer preference to these alternative fuels, which could adversely affect our business, results of operations and cash flows. In addition, our customers could turn to alternate sources of energy such as solar and wind energy in the future. A shift towards clean and renewable energy and increasing use of solar or wind energy could result in a decline

in the usage of natural gas. With the increased use of solar, wind and other sources of clean energy in the future, our business, results of operations and cash flows could be adversely affected.

**25. *Prices of alternate fuel changes frequently.***

The prices of alternate fuel are linked to the prices of Indian Crude Basket which change frequently which could affect the gas sale and purchase of our Company. In order to remain competitive in the market, we periodically review the price at which we sell natural gas, which we typically benchmark to the price of alternative fuels available to our customers. If we are unable to pass on any increase in the cost price of natural gas to our customers, our business, results of operations and cash flows could be adversely affected.

**26. *In the event Global LNG / natural gas benchmarks become volatile, prices to our customers, our business, results of operations and cash flows could be adversely affected.***

The price at which we sell natural gas is benchmarked to global LNG / natural gas benchmarks such as Japan Korea Marker (JKM), Brent Crude, Henry Hub (HH), etc. to our customers. Any decrease in the benchmark prices of Japan Korea Marker (JKM), Brent Crude, Henry Hub (HH) could result in a shift in customer preference to these alternative fuels, which could adversely affect our business, results of operations and cash flows.

**27. *We do not have long term agreements with our suppliers which may adversely affect our business.***

As the Company does not have long term agreements with its suppliers, it may not be able to procure the gas at an optimum price which may affect the profitability of the Company. Further, in case we are unable to renew the contract it may also affect the ability of the Company to meet its commitment to the customers. However, the Company may be able to procure the gases from alternate sources in such cases but which may not be at the optimum prices which may affect the business.

**28. *Our Promoters have provided their personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

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

We may not be successful in procuring alternative properties/guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

**29. *While gas supply is benchmarked to global indexes in USD, the revenues of the Company are in INR. Accordingly, our cash flow is indirectly exposed to currency rate fluctuations.***

The price of natural gas we purchase is denominated in USD. However, we sell natural gas for INR. While we periodically review and modify the price at which we sell natural gas to account for any change in the foreign exchange rate between the USD and INR, however, such revision has historically had a time lag as a result of the nature of our business. The Company has also started to enter into agreements with its customers in USD based pricing to mitigate the exchange rate risk. Such fluctuations expose our business, results of operations and cash flows to exchange rate risk. In the event that we are unable to pass on any increase in cost of natural gas caused by a depreciation of the INR to our customers on a timely basis, or at all, our business, results of operation and cash flows could be adversely affected.

**30. *Undercutting by Gas Transporting Companies may affect business prospects of the Company.***

Our Company has entered into agreements for transportation of Gas with third parties who are themselves downstream suppliers of Gas to end customers. These third-party transporters may approach our customers directly and undercut the pricing which may adversely affect the business prospects of the Company.


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

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

Sr. No.	Name of Promoter	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)
1.	Mr. Rajiv Menon	17,12,000	0.82

Sr. No.	Name of Promoter	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)
2.	Mr. Manav Bahri	17,12,000	0.82
3.	Mr. Sujit K Sugathan	17,68,000	0.89

**32. We have not yet applied for registration of our logo,  and we do not own the “corporate logo” legally as on date**

We have not yet applied for the registration of our logo  under the provisions of the Trademarks Act, 1999, and as a result, we do not legally own the "corporate logo" used in our communications and other operations to date. Consequently, we do not benefit from the statutory protections afforded to a registered trademark or logo at present. This situation leaves us vulnerable to potential challenges alleging the infringement of third-party intellectual property rights. The absence of registered protection for our intellectual property raises concerns about our ability to safeguard it adequately. There is no guarantee that we will be able to secure the registration of our logo in the future, nor can we be certain that third parties will refrain from infringing upon our intellectual property, potentially causing harm to our business prospects, reputation, and goodwill. Furthermore, we cannot provide assurance that any future application for the registration of our logo by our company will be granted by the relevant authorities in a timely manner, if at all. Our current efforts to protect our intellectual property may be insufficient, posing a risk of diminishing our business value and adversely impacting our operations. In the event of disputes regarding the validity of such claims and the extent of the proprietary rights of others, we may need to resort to litigation. However, such legal proceedings could be protracted and costly, with no guaranteed outcome. Additionally, there is a possibility that we may not be able to detect unauthorized use of our intellectual property or take prompt and effective measures to enforce or protect it.

**33. There may be significant price volatility and shortage of Gas due to any War which may affect the profitability of our business.**

The war like Ukraine war has significantly affected the gas sector, causing supply disruptions, price volatility, geopolitical shifts, and environmental implications. Sanctions on Russia and infrastructure damage in Ukraine have led to tighter global supply, contributing to rising prices. Increased demand for alternative sources and market uncertainty have further driven price fluctuations. Geopolitically, the conflict has prompted countries to reassess energy partnerships and focus on energy security, potentially leading to long-term shifts in global energy markets. The war's environmental impact includes increased reliance on fossil fuels and disruptions to renewable energy projects. The evolving situation makes the long-term impact on the oil and gas sector uncertain, but it is evident that the conflict will continue to shape the global energy landscape for years to come. We may not be able to procure adequate quantities of gas at optimum prices which may affect the profitability of our business.

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

Our revenues are derived primarily from contracts awarded to us on a project-by-project basis. In the event that we are not able to continuously and consistently secure new projects of similar or higher value as the ones that we have executed in the past or are currently executing, and on terms and conditions that are favourable to us, our financial performance, our results of operations and cash flows may be adversely affected or fluctuate materially from time to time depending on the timing and nature of such contracts. Accordingly, it is difficult to predict whether and when we will be awarded a new project. If we are unable to identify or acquire new projects matching our expertise or profit expectations, we may be subject to uncertainties in our business.

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

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

- lack of ability to properly manage financing resources and unavailability of funds at affordable costs or maintain financial discipline.
- lack of ability to recruit or retain skilled employees.



- failure to correctly identify market trends relating to the demand for our services, inability to carry out our strategy or optimize our existing project portfolio; and
- keeping an eye on increases in costs of raw materials, fuel, labour and equipment and adverse movements in interest rates and foreign exchange rates and efforts to minimise their impact.
- Checking out for corrupt practices of fraud or improper conduct

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

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

We depend significantly on the expertise, experience and continued efforts of the members of our senior management team and other key employees. Our continued success also depends upon our ability to attract and retain a large group of skilled professionals and staff, particularly project managers, engineers, and skilled workers. For instance, we believe that our Promoters namely Mr. Rajiv Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan who have cumulative experience of over 45 years in the Oil & Gas Sector, have played a significant role in the development of our business, and we benefit from their technical expertise, industry knowledge and customer relationships. Further, our management team also comprises a number of qualified, experienced and skilled professionals who have several years of experience across various sectors. Our Company is heavily dependent on the members of our senior management for business development and acquiring new projects, and any inability of these members to execute their responsibilities could result in a loss of business.

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

***37. Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could affect our business prospects, results of operations and financial condition.***

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our business. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. The risks associated with the deployment of manpower include possible claims relating to:

- actions or inactions, including matters for which we may have to indemnify our customers or Suppliers.
- our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services.
- failure of manpower engaged by us to adequately perform their duties or absenteeism; and
- errors or malicious acts or violation of security, privacy, health and safety regulations.

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and affect our business. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and consequently, affect our business, financial condition, results of operations and prospects.

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

A significant number of the projects that we have undertaken, or currently undertake, prescribe a requirement for maintaining retention money during the defects liability period. The defects liability period typically commences upon the provision of the virtual or final completion certificate to us by our customers, and usually extends to a period of 12 months post the date of such certification. There can be no assurance that such retention money will be remitted by our clients to us on a timely basis or at all. We may make provisions for bad debts, which includes those arising from release of retention money. We may be unable to efficiently manage the level of bad debt arising from such payment practices. Any failure to obtain a release of such retention monies in a timely manner, or at all, may have an adverse impact upon our profitability, results of operations and financial position.

- 39. Our company has encountered challenges in meeting the designated timelines for filing statutory returns, a circumstance that carries significant implications for our financial standing.**

There have been delays in filing GST Returns and EPF returns by our Company, as mentioned in below table, which have all been paid as on the date of this Draft Red Herring Prospectus.

#### EPF Payments-

Financial Year	Total Amount of All Establishments Paid (Amount in Lakhs)	Total No. of Establishments	With Delayed Payments
2023-2024	19.60	1	1
2022-2023	18.25	1	1
2021-2022	4.62	1	1
2020-2021	0.95	1	1

#### GST Returns:

Financial Year	Return Type	Total Number Of Establishments	Establishments With Delayed Filings
2023-2024	2	1	2023-2024
2022-2023	1	1	2022-2023
2021-2022	1	1	2021-2022
2020-2021	1	1	2020-2021
2019-2020	1	-	2019-2020
2018-2019	1	1	2018-2019
2017-2018	1	1	2017-2018

These delays were primarily due to the COVID-19, internal and technical issues. We have since taken steps such as channelling more resources towards improving our administrative systems and training our staff to rectify such delays. However, there can be no assurance that such delays may not arise in the future. This may lead to financial penalties from respective government authorities. While we have been required to make payment of fines/ penalties for delays in payment of such statutory dues, wherever applicable, these have not been material in nature. However, we cannot assure you that we will not be subject to such penalties and fines in the future which may have a material adverse impact on our financial condition and cash flows.

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

We operate in a competitive environment and our industry has been frequently subject to intense price competition for the acquisition and bidding of projects. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. We compete against many companies at the national and

local levels and in multiple segments of the Oil and Gas business. For further details, please see the section entitled “Business Overview- Competition” on page 109. While service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience, are important considerations in clients’ decisions, price is a major factor in most contract awards. We may thus be compelled to bid for new projects more aggressively than we expected and may accept terms and conditions that are not in our favour. If we fail to win new projects, we may not be able to increase, or maintain, our volume of business or revenues. Failure to compete effectively against our current or future competitors may have a material and adverse effect on our business, financial condition and results of operation.

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

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

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

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

- 42. *In addition to normal remuneration, other benefits and reimbursement of expenses to our Promoter, Directors, key Managerial Personnel (KMP) and Senior Managerial Personnel (SMP) they are interested to the extent of their shareholding and dividend entitlement thereon in our Company and for the transactions entered into between our Company and themselves as well as between our Company and our Group Companies/Entities. Our Company in future may enter in related party transactions subject to necessary compliances.***

Our Promoter-Directors, KMP and SMP are interested in our Company to the extent of their shareholding and dividend entitlement thereon in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoters, Directors, KMP and SMP are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity. All transactions with related parties entered into by the Company in the past were at arm’s length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Our Company, Promoters and group companies may enter into such related party transactions in future as well which may be or may not be at Arms’ Length Price and in Ordinary Course of Business. If such future transactions are not on Arms’ Length Price and in the Ordinary Course of Business, our financial position may get affected to that extent. Additionally, our Company may enter in related party transactions in future subject to necessary compliances in accordance with relevant acts, rules and regulations. For details of transactions already executed by our Company with our Promoters, Directors and Group Companies/Entities during last three years, please refer to the “Annexure X – Related Party

Transaction” under the Chapter titled “Restated Financial Information” beginning on Page No. 177 of this Red Herring Prospectus.

**43. Any conflict of interest which could occur between our business and any other similar business activities pursued by our Directors and Promoters, could have a material adverse effect on our business and results of operations.**

Our Group Companies, Positron Gas Limited, Positron Ventures Private Limited and Sairama Infraenergy Private Limited are engaged in similar to business activities as that of our Company.

As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. Further, our Company has not entered into separate non-compete agreement in order to avoid the conflict of interest envisaged with our group company Positron Gas Limited Positron Ventures Private Limited and Sairama Infraenergy Private Limited. In addition, some of our directors are also directors on the boards of our group companies. These overlapping directorships could create conflicts of interest between us and the Promoters.

We cannot assure you that a conflict will not arise, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations. For further details of conflict of interest please refer chapter titled “Information with respect to Group Companies/Entities” on page no 199 of this Red Herring Prospectus.

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

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

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

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

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

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

Any future equity issuances by our Company may lead to the dilution of investors’ shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares.

**47. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreement/s signed with the Stock Exchange/s. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge, thereby increasing our expenses, which may adversely affect our revenues and results of operations. Further, failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any, including suspension of trading, which again would impact our reputation and business operations.

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

None of the Company, the BRLMs or any other person connected with the Issue has independently verified the third party statistical and financial data in this Red Herring Prospectus which has been sourced from various public and private publications. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates. There is no assurance that such information obtained from third party sources and publications will be current or reflect current trends. Further, such industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect.

## **EXTERNAL RISK FACTORS**

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

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

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

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

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

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Although some restrictions have been eased, it is not yet clear when the lockdown conditions will be fully lifted in India. Further, although we were declared an essential business and were able to adjust our business to continue operating during the lockdown, there can be no assurance that further restrictions will not be introduced or that we will continue to retain such essential status. Further, we may be required to quarantine employees that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees or shut down our manufacturing facilities as a health measure, which could have an adverse effect on our business operations or result in a delay in the

production and supply of products to our customers in a timely manner. If any of our suppliers are affected by COVID-19 to the extent our supply chain is disrupted, this may affect our ability to meet the demand of our customers.

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

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

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency and may result in significant additional taxes becoming payable.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

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

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

may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.

**5. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. 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.

The Government of India has traditionally exercised, and continues to exercise, a significant 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. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

**6. *Terrorist attacks or war or conflicts involving India or other countries could adversely affect consumer and business sentiment and the financial markets and adversely affect our business.***

Terrorist attacks and other acts of violence or war may adversely affect global equity markets and economic growth as well as the Indian economy and stock markets. Such acts negatively impact business and economic sentiment, which could adversely affect our business and profitability. Also, India has from time to time experienced, and continues to experience, social and civil unrest and hostilities with neighbouring countries. Armed conflicts could disrupt communications and adversely affect the Indian economy. Such events could also create a perception that investments in Indian companies involve a high degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares. The consequences of any armed conflicts are unpredictable and we therefore may not be able to foresee events that could have an adverse effect on our business.

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

Global economic and political factors that are beyond our control, influence forecasts 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 and magnitude, which may negatively affect our stock prices.

**8. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could

interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**9. *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.

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

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

**11. *Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**12. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in affect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the 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 authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

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

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investor's reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit



conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

**14. *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 you may be unable to resell the Equity Shares at or above the Offer Price.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Offer. The market price of the Equity Shares after the Offer can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry-specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

**15. *The requirements of being a publicly listed company may strain our resources.***

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 require us to file audited annual and unaudited quarterly 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.

Any further issuance of Equity Shares, or convertible securities or other equity-linked instruments by us may dilute your shareholding. We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**16. *The sale of Equity Shares by our Promoters in future may adversely affect the market price of the Equity Shares.***

After the completion of the Offer, our Promoters will still own a significant percentage of our issued Equity Shares. The sale of a large number of the Equity Shares by our Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

**17. *There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all.***

There is no guarantee that our Equity Shares will be listed on the relevant stock exchange in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the relevant stock exchange within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

## PROMINENT NOTES

- Public Issue of 20,48,400 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “Issue Price”) aggregating to ₹ [●] lakhs (“the issue”).
- The Net Asset Value per Equity Share (Post-Bonus) of our Company as per the Restated Financials as of March 31, 2022, 2023 and 2024, is ₹ 6.38, ₹ 10.21, and ₹ 26.82 per Equity Share, respectively.
- The net worth of our Company as per Restated Consolidated Financials as of March 31, 2024 is ₹ 1,489.26 lakhs.
- Average cost of acquisition of equity shares by our promoters is as follows:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *
1.	Mr. Rajiv Shankarankutty Menon	17,12,000	0.82
2.	Mr. Manav Bahri	17,12,000	0.82
3.	Mr. Sujit Sugathan	17,68,000	0.89

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

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

- There has been no change of name of our Company at any time during the last three (3) years immediately preceding the date of filing Red Herring Prospectus, except pursuant to Conversion of company from private Limited to Public Limited.
- There has been no financing arrangement whereby our directors or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six (6) months preceding the date of this Red Herring Prospectus.
- Except as stated under the section titled “*Capital Structure*” beginning on page no 61 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
- Except as disclosed in the section titled “*Capital Structure*”, “*Our Promoters and Promoter Group*”, “*Information with respect to Group Companies/entities*” and “*Our Management*” beginning on page no. 61, 172, 199 and 157 respectively of this Red Herring Prospectus, none of our Promoters, Directors or Key Managerial Personnel has any interest in our Company.
- Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
- Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 84 of the Red Herring Prospectus.

Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to section titled “*General Information*” beginning on page 51 of this Red Herring Prospectus.

## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Red Herring Prospectus:

Particulars	Details
Equity Shares Issued <sup>*(1)</sup>	Issue of 20,48,400 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Of which:</b>	
Reserved for Market Makers	1,02,600 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Net Issue to the Public	19,45,800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Of which:</b>	
Allocation to Qualified Institutional Buyers	Not more than 9,72,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
of which:	
(i) Anchor Investor Portion <sup>(3)</sup>	Not more than 5,83,200 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully	Not more than 3,88,800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Allocation to Non-Institutional Investors	Not less than 2,92,200 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Allocation to Retail Individual Investors	Not less than 6,81,600 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Equity Shares outstanding prior to the Issue	55,52,000 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	76,00,400 Equity Shares of ₹ 10/- each
Use of Proceeds	For details, please refer chapter titled “ <i>Objects of The Issue</i> ” beginning on Page no. 75 of this Red Herring Prospectus for information on use of Issue Proceeds.

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

- (1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (1) and Regulation 253 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription.
- (2) The present Issue has been authorized pursuant to a resolution of our Board dated February 20, 2024 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on February 22, 2024.
- (3) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for Mutual Funds, subject to valid Bids being received from 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 Net QIB Portion. 10% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated

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proportionately to the QIB Bidders in proportion to their Bids. For further details, see “*Issue Procedure*” beginning on page 226.

- (4) Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Issue will be available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount (“ASBA”) process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see “*Issue Procedure*” on page 226.
- (5) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (6) In the event of an under-subscription in the issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLM shall first ensure Allotment of Equity Shares offered pursuant to the Fresh offer by the Issuer.
- (7) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

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**SUMMARY OF FINANCIAL INFORMATION**

Sr. No	Particulars	Page Nos.
	Restated Financial Information	SCSF- 1 to SCSF-3

**Annexure -I**  
**RESTATED STATEMENT FOR ASSETS AND LIABILITIES (CONSOLIDATED)**

(₹ In Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I. EQUITY AND LIABILITIES</b>				
<b><u>(1) Shareholder's Funds</u></b>				
(a) Share Capital	1	555.20	34.70	34.70
(b) Reserves & Surplus	2	934.06	532.17	319.75
<b><u>(2) Share application money pending allotment</u></b>				
<b><u>(3) Non-Current Liabilities</u></b>				
(a) Long-Term Borrowings	3	730.67	719.78	346.45
(b) Long-Term Provision	4	7.64	3.43	1.27
(c) Deferred Tax Liabilities (net)	5	-	2.88	2.81
<b><u>(4) Current Liabilities</u></b>				
(a) Short-Term Borrowings	6	297.23	22.04	21.88
<b><u>(b) Trade Payables</u></b>				
(i) Total outstanding dues of micro enterprises and small enterprises	7	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		509.88	747.67	30.61
(c) Other Current Liabilities	8	637.11	413.49	181.37
(d) Short-Term Provisions	9	117.22	0.09	0.06
<b>Total</b>		<b>3,789.02</b>	<b>2,476.25</b>	<b>938.90</b>
<b>II. ASSETS</b>				
<b><u>(1) Non-Current Assets</u></b>				
<b><u>Property, Plant &amp; Equipment &amp; Intangible Assets</u></b>				
(a) Property, Plant & Equipments	10	192.03	205.48	215.60
(i) Property, Plant & Equipments				
(ii) Intangible Assets				
(iii) Capital Work-in-Progress				
(iv) Intangible Assets under Development				
(b) Non-Current Investments	11	-	-	-
(c) Deferred Tax Assets (net)	5	0.46		
(d) Other Non-Current Assets	12	65.30	132.61	33.55
<b><u>(2) Current Assets</u></b>				
(a) Inventories	13	268.62	382.62	102.32
(b) Trade Receivables	14	1,458.06	946.57	166.54
(c) Cash & Bank Balances	15	1,744.72	753.64	380.87
(d) Short-term Loans & Advances	16	39.20	54.27	40.04
(e) Other Current Assets	17	20.63	1.07	-
<b>Total</b>		<b>3,789.02</b>	<b>2,476.25</b>	<b>938.90</b>

As per our report of even date attached  
For S V J K and Associates  
Chartered Accountants  
Firm Reg No. 135182W

For and on behalf of Board of Directors  
Positron Energy Limited

CA Reeturaj Verma  
Partner  
M.No. 193591

Rajiv Menon  
Managing Director  
DIN:01958636

Sujit K Sugathan  
Whole-time Director, CFO  
DIN:01959364

UDIN : 24193591BKAFNU7761

Devang Shah  
Company Secretary

Place: Ahmedabad  
Dated: 2nd August, 2024

Place: Ahmedabad  
Dated: 2nd August, 2024  
SCFS - 1

**Annexure -II**  
**RESTATED STATEMENT OF PROFIT AND LOSS (CONSOLIDATED)**

(₹ In Lakhs)

Sr. No.	Particulars	Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A</b>	<b>Revenue:</b>				
	Revenue From Operations	18	13,473.25	5,142.64	869.04
	Other Income	19	68.51	59.97	27.81
	<b>Total Income</b>		<b>13,541.76</b>	<b>5,202.61</b>	<b>896.85</b>
<b>B</b>	<b>Expenses:</b>				
	Purchases of Stock-in-trade	20	11,345.69	4,572.33	512.87
	Changes in Inventories of Stock-in-trade	21	114.00	(280.30)	(102.32)
	Employee Benefits Expense	22	458.60	292.70	186.20
	Financial Cost	23	57.53	41.87	15.48
	Depreciation & Amortization Expense	24	26.13	31.11	22.44
	Others Expenses	25	350.71	258.17	183.31
	<b>Total Expenses</b>		<b>12,352.67</b>	<b>4,915.88</b>	<b>817.99</b>
<b>C</b>	<b>Profit before Tax Exceptional Items (A-B)</b>		<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
<b>D</b>	Exceptional Items	26	-	-	-
<b>E</b>	<b>Profit Before Extraordinary Items and Tax (C-D)</b>		<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
<b>F</b>	Extraordinary Items		-	-	-
<b>G</b>	Prior Period Items		-	-	-
<b>H</b>	<b>Profit Before Tax (F-G)</b>		<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
<b>I</b>	Tax expense :				
	- Current Tax		305.74	73.85	18.41
	- Deferred Tax Expense		(3.34)	0.08	2.46
	- Income tax relating to earlier year		7.93	-	-
<b>J</b>	<b>Profit/(Loss) for the Period After Tax (C-D)</b>		<b>878.78</b>	<b>212.80</b>	<b>57.98</b>
<b>K</b>	<b>Profit/(Loss) for the period for the Shareholders of the company</b>		<b>878.78</b>	<b>212.80</b>	<b>57.98</b>
<b>L</b>	Earning per Equity Share:				
	(1) Basic		15.83	3.83	1.04
	(2) Diluted		15.83	3.83	1.04

As per our report of even date attached  
For S V J K and Associates  
Chartered Accountants  
Firm Reg No. 135182W

CA Reeturaj Verma  
Partner  
M.No. 193591

UDIN : 24193591BKAFNU7761

Place: Ahmedabad  
Dated: 2nd August, 2024

For and on behalf of Board of Directors  
Positron Energy Ltd

Rajiv Menon                      Sujit K Sugathan  
Managing Director              Whole-time Director, CFO  
DIN:01958636                      DIN:01959364

Devang Shah  
Company Secretary

Place: Ahmedabad  
Dated: 2nd August, 2024

**Annexure -III**

**RESTATED STATEMENT OF CASH FLOW (CONSOLIDATED)**

(₹ In Lakhs)

Particulars	For the Year ended March, 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>			
Profit Before Tax	1,189.09	286.72	78.86
<b>Adjustments for:</b>			
Depreciation & Amortisation Expense	26.13	31.11	22.44
Exceptional Income	-	-	-
Financial Income	(68.51)	(59.97)	(27.81)
Interest Expense (Finance Cost)	57.53	41.87	15.48
Sundry Balance W/Off	-	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>1,204.25</b>	<b>299.74</b>	<b>88.97</b>
<b>Changes in Working Capital</b>			
(a) (Increase)/Decrease in Inventories	114.00	(280.30)	(102.32)
(b) (Increase)/Decrease in Trade Receivables	(467.86)	(780.41)	(73.94)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(4.49)	(15.30)	(12.94)
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	102.96	949.21	49.47
<b>Cash Generated From Operations</b>	<b>948.86</b>	<b>172.93</b>	<b>(50.75)</b>
Net Income tax Paid/Refunded	(313.67)	(73.85)	(18.41)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>635.19</b>	<b>99.09</b>	<b>(69.17)</b>
<b>Cash Flow From Investing Activities:</b>			
(a) Sales / (Addition) in Fixed Assets & WIP	(12.68)	(20.99)	(86.94)
(b) (Increase) / Decrease in Investment	-	-	-
(c) (Increase) / Decrease in Non Current Assets	67.30	(99.06)	(1.09)
(d) Interest and other income	68.51	59.97	27.81
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>123.13</b>	<b>(60.09)</b>	<b>(60.22)</b>
<b>Cash Flow from Financing Activities:</b>			
(a) Increase/(Decrease) in Long Term Borrowings	10.89	373.32	231.65
(b) Increase/(Decrease) in Short Term Borrowings	275.20	0.16	16.87
(c) Issue of Share Capital	-	-	-
(d) Increase / ( Decrease ) in Long Term Provisions	4.21	2.16	0.73
(e) Interest Paid	(57.53)	(41.87)	(15.48)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>232.77</b>	<b>333.77</b>	<b>233.76</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>991.10</b>	<b>372.77</b>	<b>104.38</b>
Cash & Cash Equivalents as at beginning of the period	753.64	380.87	276.49
Cash & Cash Equivalents as at end of the period	<b>1,744.73</b>	<b>753.64</b>	<b>380.87</b>
<b>Components of cash and cash equivalents</b>			
Cash on hand	1.89	1.96	1.76
Balance with Banks			
-In Current Accounts	559.09	179.88	55.79
-Other Bank Balance	1,183.74	571.81	323.32
Total Cash & Cash Equivalents	<b>1,744.72</b>	<b>753.64</b>	<b>380.87</b>

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm Reg No. 135182W

CA Reeturaj Verma  
Partner  
M.No. 193591  
UDIN : 24193591BKAFNU7761

Place: Ahmedabad  
Dated: 2nd August, 2024

For and on behalf of Board of Directors

Positron Energy Ltd

Rajiv Menon                      Sujit K Sugathan  
Managing Director              Whole-time Director, CFO  
DIN:01958636                      DIN:01959364

Devang Shah  
Company Secretary

Place: Ahmedabad  
Dated: 2nd August, 2024



## SECTION V – GENERAL INFORMATION

Our Company was originally registered in the name of “Positron Energy Private Limited” and received a certificate of incorporation dated February 15, 2008 from the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 23, 2023 and the name of our Company was changed to “Positron Energy Limited”. A fresh Certificate of Incorporation consequent upon conversion from Private Limited Company to Public Limited Company dated January 02, 2024 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U01403GJ2008PLC052932. For details of change in registered office of our Company, please refer to chapter titled “History and Corporate Structure” beginning on page no. 152 of this Red Herring Prospectus.

### BRIEF INFORMATION ON COMPANY

Particulars	Details					
Name of Issuer	Positron Energy Limited					
Registered Office	Office No. 3, IT Tower-2, Ground Floor, Infocity, Sector-7, Gandhinagar, Gujarat-382007. <b>Telephone No.:</b> +91 079 23290070 <b>Web site:</b> <a href="http://www.positron-india.com">www.positron-india.com</a> <b>E-Mail:</b> <a href="mailto:secretarial@positron-india.com">secretarial@positron-india.com</a> <b>Contact Person:</b> Devang Ashvinkumar Shah					
Date of Incorporation	February 15, 2008					
Company Identification Number	U01403GJ2008PLC052932					
Company Registration Number	052932					
Company Category	Company Limited by Shares					
Registrar of Company	ROC- Ahmedabad					
Address of the RoC	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat. <b>Phone:</b> 079-27438531					
Company Secretary and Compliance Officer	Devang Ashvinkumar Shah Positron Energy Limited Address: Office No. 3, IT Tower-2, Ground Floor, Infocity, Sector-7, Gandhinagar, Gujarat-382007 <b>Telephone No.:</b> +91 079 23290070 <b>Web site:</b> <a href="http://www.positron-india.com">www.positron-india.com</a> <b>E-Mail:</b> <a href="mailto:secretarial@positron-india.com">secretarial@positron-india.com</a>					
Designated Stock Exchange	EMERGE Platform of National Stock Exchange of India Limited <b>Address:</b> Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051					
Issue Programme	<table border="1"> <tr> <td><b>Issue On:</b></td> <td><b>Opens</b></td> <td><b>Monday August 12, 2024</b></td> <td><b>Issue Closes On:</b></td> <td><b>Wednesday August 14, 2024</b></td> </tr> </table>	<b>Issue On:</b>	<b>Opens</b>	<b>Monday August 12, 2024</b>	<b>Issue Closes On:</b>	<b>Wednesday August 14, 2024</b>
<b>Issue On:</b>	<b>Opens</b>	<b>Monday August 12, 2024</b>	<b>Issue Closes On:</b>	<b>Wednesday August 14, 2024</b>		

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

#### Investor Grievances:

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

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

of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

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

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises following Directors.

Sr. No.	Name	Designation	Address	DIN
1.	Dr. Safalta S Gupta	Independent Director & Chairman	2, Abhijan Society, NR Madhukunj Society, Maninagar East, Ahmedabad, Gujarat - 380008	10468828
2.	Mr. Rajiv Shankarankutty Menon	Managing Director	B-5/101, La Habitat, Opp Shukan Bungalows, Off SG Highway, Thaltej, Ahmedabad-380054	01958636
3.	Mr. Manav Bahri	CEO & Whole Time Director	H. No. SD-334, Tower Apartments, Pitam Pura, Saraswati Vihar, North-West, New Delhi-110034	01959472
4.	Mr. Sujit K Sugathan	CFO & Whole Time Director	Plot No: 204/2, Latha Nivas, Opp. Inquiry Office, Sector 6-B, Mansa, Gandhinagar – 382 007	01959364
5.	Mr. Suresh Ayyappankutty	Independent Director	A 103, Prathna Greens, B/H Pramukh Nagar, Uvarsad, Gandhinagar, Gujarat-382422	10469077
6.	Mr. Devanutosh Kothari	Independent Director	303, Savita Enclave, Opp S.B.I, Bodakdev, Ahmedabad, Gujarat-380054	09133988

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on Page no. 157 of this Red herring Prospectus.

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

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b>	 <b>LINK INTIME INDIA PRIVATE LIMITED</b>
<b>SEBI Registration Number:</b> INM000012917 <b>Address:</b> B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India. <b>Telephone Number:</b> +91 79 4918 5784 <b>Email Id:</b> mb@beelinemb.com. <b>Investors Grievance Id:</b> ig@beelinemb.com <b>Website:</b> www.beelinemb.com <b>Contact Person:</b> Mr. Nikhil Shah <b>CIN:</b> U67190GJ2020PTC114322	<b>SEBI Registration Number:</b> INR000004058 <b>Address:</b> C- 101, 1st Floor, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India <b>Telephone:</b> +91 810 811 4949 <b>Fax:</b> +91 22 49186060 <b>Email:</b> positronenergy.ipo@linkintime.co.in <b>Website:</b> www.linkintime.co.in <b>Contact Person:</b> Shanti Gopalkrishnan <b>CIN:</b> U67190MH1999PTC118368
STATUTORY AUDITORS OF THE COMPANY	PEER REVIEW AUDITORS OF THE COMPANY
<b>M/S. Abhishek Kumar &amp; Associates</b> <b>Chartered Accountants</b> <b>Address:</b> 401, 4 <sup>th</sup> floor, Silicon Tower, Above Freezland,	<b>M/S. S V J K And Associates</b> <b>Chartered Accountants</b> <b>Address:</b> 813, 1 Square Business Park, Near Shukan mall,

Near Samartheshwar Mahadev Temple, Law Garden, Navrangpura, Ahmedabad, 380009, Gujarat <b>Tel. No.:</b> +91 92274 04064 <b>Email Id:</b> abhisheksagrawal@yahoo.co.in <b>Membership No.:</b> 132305 <b>Peer Review No.:</b> 014429 <b>Firm Registration No:</b> 130052W <b>Contact Person:</b> CA Abhishek Agrawal	Science city road, Sola, Ahmedabad-380060 <b>Tel. No.:</b> +91 93775 11790 <b>Email Id:</b> <a href="mailto:info.caadvisors@gmail.com">info.caadvisors@gmail.com</a> <b>Membership No.:</b> 193591 <b>Peer Review No.:</b> 014698 <b>Firm Registration No:</b> 135182W Contact Person : CA Reeturaj Verma
<b>BANKERS TO THE COMPANY</b>	<b>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</b>
<b>HDFC BANK LIMITED</b> <b>Address:</b> HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013 <b>Tel No-</b> +91 75748 26389 <b>Email:</b> <a href="mailto:Pawankumar.yadav@hdfcbank.com">Pawankumar.yadav@hdfcbank.com</a> <b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> <b>Contact Person:</b> Pawan kumar Yadav	<b>Axis Bank Limited</b> <b>CIN:</b> L65110GJ1993PLC020769 <b>Address:</b> Axis Bank Limited, 6 <sup>th</sup> floor, 'Gigaplex' Building no. 1, Plot no. I.T.5, MIDC, Airoli Knowledge Park, Airoli, Navi Mumbai – 400708, India. <b>Telephone:</b> 022- 7131 6303/02/01/05/04 <b>Email Id:</b> <a href="mailto:iponfo.mum@axisbank.com">iponfo.mum@axisbank.com</a> <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>SEBI Registration Number:</b> INBI00000017 <b>Contact Person:</b> Mangesh Phalke
<b>LEGAL ADVISOR TO THE COMPANY</b>	<b>SYNDICATE MEMBER</b>
<b>Zenith India Lawyers</b> <b>Address:</b> D-49, Sushant Lok-III, Sector-57, Gurugram, Haryana-122003 <b>Email:</b> <a href="mailto:raj@zilawyers.com">raj@zilawyers.com</a> <b>Website:</b> <a href="http://www.zilawyers.com">www.zilawyers.com</a> <b>Contact Person:</b> Raj Rani Bhalla <b>Tel No.:</b> +91-9899016169	<b>SPREAD X SECURITIES PRIVATE LIMITED</b> <b>Address:</b> Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S. G. Highway, Ahmedabad – 380054, Gujarat, India <b>Tel:</b> +91 79 6907 2018 <b>Contact Person:</b> Mrs. Khushbu Nikhilkumar Shah <b>Email Id:</b> <a href="mailto:info@spreadx.in">info@spreadx.in</a> <b>Website:</b> <a href="http://www.spreadx.in">www.spreadx.in</a>

### DESIGNATED INTERMEDIARIES

#### Self-Certified Syndicate Banks

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

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

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

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

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

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

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

### BROKERS TO THE ISSUE

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

### REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

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

### COLLECTING DEPOSITORY PARTICIPANTS

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

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

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

#### CREDIT RATINGS

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

#### IPO GRADING

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

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

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

Draft Red Herring Prospectus will not be filed with SEBI nor will SEBI issue any observation on the draft offer document in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of Draft Red Herring Prospectus will be available on the website of the company [www.positron-india.com](http://www.positron-india.com), Book Running Lead Manager [www.beelinemb.com](http://www.beelinemb.com) and stock exchange [www.nseindia.com](http://www.nseindia.com).

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, and the same will also be available on the website of the company [www.positron-india.com](http://www.positron-india.com) for inspection.

#### CHANGE IN AUDITOR

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

Particulars	Date of Appointment / Resignation	Reason for Change
<b>M/s. P B P &amp; Co.</b> <b>Address:</b> A/515, India Textile Market, Ring Road, surat, Gujarat- 395002 <b>Tel:</b> +91 93777 06875 <b>Email:</b> pbpc.ca@gmail.com <b>M. No.:</b> 106829 <b>FRN:</b> 119345W <b>Contact Person:</b> CA Pradeep Jajoo	December 20, 2023	Company is planning for raising funds through Initial Public Offer (IPO) and required to engage a Peer reviewed auditors firm for compliances, as so far M/s P B P & Co. is not a peer reviewed therefor firm are unable to continue as Statutory Auditor of the company from FY 2023-24.
<b>M/s. Abhishek Kumar &amp; Associates</b> <b>Address:</b> 401, 4th floor, Silicon Tower, Above Freezland, Near Samartheshwar Mahadev Temple, Law Garden, Navrangpura, Ahmedabad, 380009, Gujarat <b>Tel:</b> +91 92274 04064	December 26, 2023	Appointment as Statutory Auditor in case of Casual Vacancy because M/s PBP & Co. is not a peer reviewed firm and unable to continue as statutory auditors of Company.

<b>Email:</b> <a href="mailto:abhisheksagrawal@yahoo.co.in">abhisheksagrawal@yahoo.co.in</a> <b>M. No:</b> 132305 <b>FRN:</b> 130052W <b>Peer Review No:</b> 014429 <b>Contact Person:</b> CA Abhishek Agrawal		
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## TRUSTEES

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

## APPRAISAL AND MONITORING AGENCY

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

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

## BOOK BUILDING PROCESS

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

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank
- The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price. Allocation to Anchor Investors shall be on a discretionary basis subject to a minimum number of two Anchor Investors. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹ 200 Lakhs. 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.

Such number of equity shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 226 of the Red Herring Prospectus.

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

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

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

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

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

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 226 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue 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.
- Bids by QIBs (except Anchor Investors) and NIIs shall be submitted only through the ASBA process.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

**Bid/Issue Program:**

Event	Indicative Dates
Bid/Issue Opening Date	Monday August 12, 2024
Bid/Issue Closing Date	Wednesday August 14, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday August 16, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday August 19, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Monday August 19, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday August 20, 2024

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

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

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

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

In accordance with the SEBI Regulations, QIBs Bidding in the Net QIB Portion are not allowed to withdraw their Bids after the QIB Bid Closing Date and Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Period. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid. For further details, see sections titled "Issue Structure" and "Issue Procedure" on pages 223 and 226 respectively.

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

### WITHDRAWAL OF THE ISSUE

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

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

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

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

### UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on July 26, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b> <b>SEBI Registration Number:</b> INM000012917 <b>Address:</b> B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India. <b>Telephone Number:</b> 079 4918 5784 <b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> <b>Investors Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a> <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a> <b>Contact Person:</b> Mr. Nikhil Shah <b>CIN:</b> U67190GJ2020PTC114322	20,48,400	[●]	100%

*\*Includes 1,02,600 Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which is 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.*

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

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

Our Company and the Book Running Lead Manager have entered into an agreement dated July 26, 2024 with the following Market Maker to fulfill the obligations of Market Making:



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**SPREAD X SECURITIES PRIVATE LIMITED**

**Address:** Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S. G. Highway, Ahmedabad – 380054, Gujarat, India.

**Tel:** 079 6907 2018

Email Id: [info@spreadx.in](mailto:info@spreadx.in)

Website: [www.spreadx.in](http://www.spreadx.in)

Contact Person: Mrs. Khushbu Nikhilkumar Shah

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker(s).
- 2) 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 Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) After a period of three (3) months from the market making period, the market maker would be exempted to provide a quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including 1,02,600 Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 1,02,600 Equity Shares would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of the market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through the market making process, NSE may intimate the same to SEBI after due verification.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 7) On the first day of the listing, there will be a pre-opening session (call auction) and thereafter 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and uncontrollable reasons would be final.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving a One month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not

exceeding five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

- 11) Risk containment measures and monitoring for Market Makers: Emerge Platform of NSE will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 12) Punitive Action in case of default by Market Makers: Emerge Platform of NSE 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 maker issuing 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.
- 13) 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.
- 14) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- 15) 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.
- 16) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
- 17) Additionally, the trading shall take place in the TFT segment for the first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- 18) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / NSE from time to time.

**SECTION VI - CAPITAL STRUCTURE**

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

(₹ In Lakh except per share amount)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at issue price
1.	<b>AUTHORIZED SHARE CAPITAL</b> 80,00,000 Equity Shares of face value of ₹ 10/- each	800.00	-
2.	<b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE</b> 55,52,000 Equity Shares of face value of ₹ 10/- each	555.20	-
3.	<b>PRESENT ISSUE IN TERMS OF THE RED HERRING PROSPECTUS*</b>		
	Issue of 20,48,400 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share.	204.84	[●]
	<b>Which comprises</b>		
	<b>Reservation for Market Maker:</b> 1,02,600 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion	10.26	[●]
	<b>Net Issue to Public:</b> 19,45,800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public	194.58	[●]
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than 9,72,000 Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	97.20	[●]
	(a) Anchor Investor Portion- Upto 5,83,200 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs	58.32	[●]
	(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)- Upto 3,88,800 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs	38.88	[●]
	<b>Of which:</b>		
	(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)- Upto 19,200 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs	1.92	[●]
	(ii) Balance of QIB Portion for all QIBs including Mutual Funds- Upto 3,69,600 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs	36.96	[●]
	<b>Allocation to Non-Institutional Investors:</b> At least 2,92,200 Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	29.22	[●]
	<b>Allocation to Retail Individual Investors:</b> At least 6,81,600 Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors	68.16	[●]

4.	<b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b> 76,00,400 Equity Shares of ₹ 10/- each	760.04	-
5.	<b>SECURITIES PREMIUM ACCOUNT</b>	Before the Issue	Nil
		After the Issue	[●]

\*The Present Issue of 20,48,400 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated February 20, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on February 22, 2024.

### CLASS OF SHARES

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

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

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

### NOTES TO THE CAPITAL STRUCTURE:

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

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

Sr. No.	Particulars of Increase	Cumulative no. of Equity Shares	Cumulative Authorized Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation	20,000	2.00	N.A.	N.A.
2.	Increase in authorized equity share capital from ₹ 2.00 Lakhs to ₹ 50.00 Lakhs	5,00,000	50.00	February 02, 2011	EGM
3.	Increase in authorized equity share capital from ₹ 50.00 Lakhs to ₹ 800.00 Lakhs	80,00,000	800.00	January 04, 2024	EGM

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

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

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
February 15, 2008	Subscription to Memorandum of Association <sup>(1)</sup>	10,000	10	10	Cash	10000	1.00	NIL
March 04, 2011	further allotment <sup>(2)</sup>	2,95,000	10	10	Cash	3,05,000	3.05	NIL
November 15, 2013	Further allotment <sup>(3)</sup>	21,000	10	56.50	Cash	3,26,000	3.26	9.76
February 22, 2019	Right Issue <sup>(4)</sup>	21,000	10	51.50	Cash	3,47,000	3.47	18.48
February 12, 2024	Bonus Issue <sup>(5)</sup>	52,05,000	10	0	other than cash	55,52,000	555.20	NIL

\*All the above-mentioned shares are fully paid up since the date of allotment

<sup>(1)</sup> The details of Initial Subscription to Memorandum of Association of 10,000 Equity Shares on February 15, 2008, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1	Rajiv Shankarankutty Menon	3,400	10	10
2	Manav Bahri	3,300		
3	Sujit K Sugathan	3,300		
<b>Total</b>		<b>10,000</b>	<b>10</b>	<b>10</b>

(2) The details of allotment of 2,95,000 Equity Shares made on March 04, 2011 are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Rajiv Shankarankutty Menon	96,600	10	NIL
2.	Manav Bahri	96,700		
3.	Sujit K Sugathan	96,700		
4.	Koikalethu Abraham Liji	5000		
<b>Total</b>		<b>2,95,000</b>	<b>10</b>	<b>NIL</b>

(3) The details of allotment of 21,000 Equity Shares made on November 15, 2013 are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Rajiv Shankarankutty Menon	7,000	10	56.50
2.	Manav Bahri	7,000		
3.	Sujit K Sugathan	7,000		
<b>Total</b>		<b>21,000</b>	<b>10</b>	<b>56.50</b>

(4) The details of allotment of 21,000 Equity Shares made on February 22, 2019 are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Rachana Rajiv Menon	7,000	10	51.50
2.	Sujit K Sugathan	3,500		
3.	Annapoorna Sujit	3,500		
4.	Rashmi Manav Bahri	7,000		
<b>Total</b>		<b>21,000</b>	<b>10</b>	<b>51.50</b>

(5) The details of allotment 52,05,000 Bonus Equity Shares made on February 12, 2024 in ratio of 15:1 i.e., 15 (Fifteen) fully paid-up Equity Shares for every 1 (One) Equity Share held on February 02, 2024 are as follows:

Date of Allotment	Name of Allottees	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reason of Allotment	Benefits accrued to Company
February 12, 2024	Rajiv Shankarankutty Menon	16,05,000	10	NIL	Other than cash	Capitalization of reserves and Surplus
	Manav Bahri	16,05,000				
	Sujit K Sugathan	16,57,500				
	Annapoorna Sujit	52,500				
	Rashmi Manav Bahri	1,05,000				
	Koikalethu Abraham Liji	75,000				
	Rachana Rajiv Menon	1,05,000				
	<b>TOTAL</b>	<b>52,05,000</b>	<b>10</b>			

3. Except as disclosed below, we have not issued any Equity shares for consideration other than Cash or out of revaluation reserves at any point of time since Incorporation except for allotment of 52,05,000 Equity Shares for consideration other than cash under Bonus Issue made dated on February 12, 2024 in the ratio of 15:1 i.e., 15 (Fifteen) New Equity Shares for every 1 (One) Equity Shares, details of which are provided in point no. 2<sup>(5)</sup> of this chapter.

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 230 to 234 of the Companies Act, 2013.
5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company has made allotment at price lower than the Issue Price during past one year from the date of the Red Herring Prospectus except, details of which are provided in point no. 2<sup>(5)</sup>
7. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2021.

#### 8. Our Shareholding Pattern:

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

Declaration

Sr. No.	Particular	Yes/No	Promoters and Promoters Group	Public shareholder	Non-Promoters – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in?*	No	No	No	No
6.	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No	NA	NA
7.	Whether company has equity shares with differential voting rights?	No	No	No	No
8.	Whether the listed entity has any significant beneficial owner?	No	No	No	No

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

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

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (eg: X)	Class (eg: Y)	Total								
(A)	Promoters & Promoters Group	6	5472000	0	0	5472000	98.56	5472000	0	5472000	98.56	0	98.56	0	0	0	0	5472000
(B)	Public	1	80000	0	0	80000	1.41	80000	0	80000	1.41	0	1.41	0	0	0	0	80000
(C)	Non-Promoters-Non-Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>7</b>	<b>5552000</b>	<b>0</b>	<b>0</b>	<b>5552000</b>	<b>100.00</b>	<b>5552000</b>	<b>0</b>	<b>5552000</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5552000</b>
<b>Note:</b>																		
1.	<b>C=C1+C2</b>																	
2.	<b>Grand Total=A+B+C</b>																	

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

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Promoters</b>					
1	Rajiv Shankarankutty Menon	17,12,000	30.84	17,12,000	22.53
2	Manav Bahri	17,12,000	30.84	17,12,000	22.53
3	Sujit K Sugathan	17,68,000	31.83	17,68,000	23.26
<b>Total - A</b>		<b>51,92,000</b>	<b>93.51</b>	<b>51,92,000</b>	<b>68.31</b>
<b>Promoter Group</b>					
1	Annapoorna Sujit	56,000	1.01	56,000	0.74
2	Rashmi Manav Bahri	1,12,000	2.02	1,12,000	1.47
3	Rachana Rajiv Menon	1,12,000	2.02	1,12,000	1.47
<b>Total - B</b>		<b>2,80,000</b>	<b>5.05</b>	<b>2,80,000</b>	<b>3.68</b>
<b>Total Promoters &amp; Promoters Group Shareholding</b>		<b>54,72,000</b>	<b>98.56</b>	<b>54,72,000</b>	<b>72.00</b>
<b>Public</b>					
1	Koikalethu Abraham Liji	80,000	1.44	80,000	1.05
2	Public in IPO	-	-	20,48,400	26.95
<b>Total - C</b>		<b>80,000</b>	<b>1.44</b>	<b>21,28,400</b>	<b>28.00</b>
<b>Total (A+B+C)</b>		<b>55,52,000</b>	<b>100.00</b>	<b>76,00,400</b>	<b>100.00</b>

\*Rounded off

### 10. Details of Major Shareholders:

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital**#
1.	Rajiv Shankarankutty Menon	17,12,000	30.84
2.	Manav Bahri	17,12,000	30.84
3.	Sujit K Sugathan	17,68,000	31.83
4.	Annapoorna Sujit	56,000	1.01
5.	Rashmi Manav Bahri	1,12,000	2.02
6.	Rachana Rajiv Menon	1,12,000	2.02
7.	Koikalethu Abraham Liji	80,000	1.44
<b>Total</b>		<b>55,52,000</b>	<b>100.00</b>

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

\*\*Rounded Off

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

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid-up Capital**#
1.	Rajiv Shankarankutty Menon	17,12,000	30.84
2.	Manav Bahri	17,12,000	30.84
3.	Sujit K Sugathan	17,68,000	31.83
4.	Annapoorna Sujit	56,000	1.01
5.	Rashmi Manav Bahri	1,12,000	2.02
6.	Rachana Rajiv Menon	1,12,000	2.02



Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid-up Capital**#
7.	Koikalethu Abraham Liji	80,000	1.44
<b>Total</b>		<b>55,52,000</b>	<b>100.00</b>

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

\*\*Rounded Off

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

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital**#
1.	Rajiv Shankarankutty Menon	1,07,000	30.84
2.	Manav Bahri	1,07,000	30.84
3.	Sujit K Sugathan	1,10,500	31.83
4.	Annapoorna Sujit	3,500	1.01
5.	Rashmi Manav Bahri	7,000	2.02
6.	Rachana Rajiv Menon	7,000	2.02
7.	Koikalethu Abraham Liji	5,000	1.44
<b>Total</b>		<b>3,47,000</b>	<b>100.00</b>

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

\*\*Rounded Off

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

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

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital**#
1.	Rajiv Shankarankutty Menon	1,07,000	30.84
2.	Manav Bahri	1,07,000	30.84
3.	Sujit K Sugathan	1,10,500	31.83
4.	Annapoorna Sujit	3,500	1.01
5.	Rashmi Manav Bahri	7,000	2.02
6.	Rachana Rajiv Menon	7,000	2.02
7.	Koikalethu Abraham Liji	5,000	1.44
<b>Total</b>		<b>3,47,000</b>	<b>100.00</b>

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

\*\*Rounded Off

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

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

As on the date of filing the Red Herring Prospectus document, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

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

As on the date of the Red Herring Prospectus, our Promoters Mr. Rajiv Shankarankutty Menon, Mr. Manav Bahri and Mr. Sujit K. Sugathan hold total 17,12,000, 17,12,000 and 17,68,000 Equity Shares respectively representing 93.51 % of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company is as follows:

<b>MR. RAJIV SHANKARANKUTTY MENON</b>									
Date of Allotment / Transfer	Nature of Issue / Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre-Issue Capital	% of post issue Capital	
On Incorporation	Subscription to Memorandum of Association	3400	3400	10	10	34,000	0.06	0.04	
March 4, 2011	Further Allotment	96600	1,00,000	10	10	9,66,000	1.80	1.27	
November 15, 2013	Further allotment	7000	1,07,000	10	56.50	3,95,500	1.93	0.09	
February 12, 2024	Allotment under Bonus Issue	16,05,000	17,12,000	10	NA	0.00	30.84	21.12	
<b>Total</b>		<b>17,12,000</b>				<b>13,95,500</b>	<b>30.84</b>	<b>22.53</b>	

<b>MR. MANAV BAHRI</b>									
Date of Allotment / Transfer	Nature of Issue / Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre-Issue Capital	% of post issue Capital	
On Incorporation	Subscription to Memorandum of Association	3400	3400	10	10	34,000	0.06	0.04	
March 4, 2011	Further Allotment	96600	1,00,000	10	10	9,66,000	1.80	1.27	
November 15, 2013	Further allotment	7000	1,07,000	10	56.50	3,95,500	1.93	0.09	
February 12, 2024	Allotment under Bonus Issue	16,05,000	17,12,000	10	NA	0.00	30.84	21.12	
<b>Total</b>		<b>17,12,000</b>				<b>13,95,500</b>	<b>30.84</b>	<b>22.53</b>	

### **MR. SUJIT K SUGATHAN**

Date of Allotment / Transfer	Nature of Issue / Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre-Issue Capital	% of post issue Capital
On Incorporation	Subscription to Memorandum of Association	3400	3400	10	10	34,000	0.06	0.04
March 4, 2011	Further Allotment	96600	1,00,000	10	10	9,66,000	1.80	1.27
November 15, 2013	Further allotment	7000	1,07,000	10	56.50	3,95,500	1.93	0.09
February 22, 2019	Right Issue	3,500	1,10,500	10	51.50	35,000	1.99	0.05
February 12, 2024	Allotment under Bonus Issue	16,57,500	17,68,000	10	NA	0.00	31.83	21.81
<b>Total</b>		<b>17,68,000</b>				<b>15,75,750</b>	<b>31.83</b>	<b>23.26</b>

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *#
1.	Mr. Rajiv Shankarankutty Menon	17,12,000	0.82
2.	Mr. Manav Bahri	17,12,000	0.82
3.	Mr. Sujit K Sugathan	17,68,000	0.89

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire Shares by way of allotment.

#Based on Certificate dated March 07, 2024 from Statutory Auditors of the Company M/s. S V J K and Associates, Chartered Accountants, Ahmedabad,

14. We have 7 (Seven) shareholders as on the date of filing of the Red Herring Prospectus.

15. As on the date of the Red Herring Prospectus, our Promoters and Promoters' Group hold a total 54,72,000 Equity Shares representing 98.56% of the pre-issue paid up share capital of our Company.

16. there were no shares purchased/sold by the Promoters and Promoters Group, directors of our Company and their relatives during the last six months.

17. The members of the Promoters' Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Red Herring Prospectus.

**18. Details of Promoters' Contribution locked in for three years:**

Our Promoters, Mr. Rajiv Shankarankutty Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan have given written consent to include 15,20,400 Equity Shares subscribed and held by them as a part of Minimum Promoters' Contribution constituting 20.00% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

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

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

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

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

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

The details of Minimum Promoters Contribution are as follows:

Mr. Rajiv Shankarankutty Menon							
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre-Issue Capital	%of post Issue Capital

Mr. Rajiv Shankarankutty Menon							
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre-Issue Capital	%of post Issue Capital
February 12, 2024	February 12, 2024	Bonus Issue	5,06,800	10	NA	9.31	6.67
<b>Total</b>			<b>5,06,800</b>			<b>9.31</b>	<b>6.67</b>

Mr. Manav Bahri							
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre-Issue Capital	%of post Issue Capital
February 12, 2024	February 12, 2024	Bonus Issue	5,06,800	10	NA	9.31	6.67
<b>Total</b>			<b>5,06,800</b>			<b>9.31</b>	<b>6.67</b>

Mr. Manav Bahri							
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre offer Capital	%of post Issue Capital
February 12, 2024	February 12, 2024	Bonus Issue	5,06,800	10	NA	9.31	6.67
<b>Total</b>			<b>5,06,800</b>			<b>9.31</b>	<b>6.67</b>

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

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

- Equity Shares acquired during the preceding three years for;
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;

As per Regulation 237 (1) if the Shares are issued to the promoters during the preceding One Year at a price less than the Price at which specified securities are being offered to the public in initial public offer is ineligible for minimum promoters' contribution.

However as per clause (c) of sub regulation (1) of Regulation 237 of SEBI (ICDR), 2018 specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management:

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

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

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 36,71,600 Equity Shares held by the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

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

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 3,60,000 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

**21. Inscription or recording of non-transferability:**

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

**22. Pledge of Locked in Equity Shares:**

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

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

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

**23. Transferability of Locked in Equity Shares:**

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

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

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

24. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
25. As on date of the Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
26. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.
27. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
28. There are no safety net arrangements for this public issue.
29. As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
30. As per RBI regulations, OCBs are not allowed to participate in this offer.
31. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.
32. There are no Equity Shares against which depository receipts have been issued.
33. As on date of the Red Herring Prospectus, other than the Equity Shares, there is no other class of securities issued by our Company.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
36. Since present issue is a Book Built Issue, the allocation in the net offer to the public category in terms of Regulation 253(1) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
  - a. not less than thirty-five per cent to Retail Individual Investors;
  - b. not less than fifteen per cent to Non-Institutional Investors;
  - c. not more than fifty per cent to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual fundsProvided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category.  
Provided further that in addition to five per cent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.
37. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
38. Our Promoters and the members of our Promoters' Group will not participate in this Issue.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoters' Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
40. Except as stated below, none of our other Directors or Key Managerial Personnel and Senior Managerial Personnel holds Equity Shares in our Company.

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Dr. Safalta S Gupta	Chairman & Independent Director	Nil	Nil	0.00
2.	Mr. Rajiv Shankarankutty Menon	Managing Director	1712000	30.84	22.53
3.	Mr. Manav Bahri	Whole Time Director & Chief Executive Officer	1712000	30.84	22.53
4.	Mr. Sujit K Sugathan	Whole Time Director & Chief Financial Officer	1768000	31.84	23.26
5.	Mr. Suresh Ayyappankutty	Non-Executive Director	Nil	Nil	0.00
6.	Mr. Devanutosh Kothari	Independent Director	Nil	Nil	0.00
7.	Mr. Koikalethu Abraham Liji	Chief Technical Officer	80000	1.44	1.05
8.	Mr. Devang Ashvinkumar Shah	Company Secretary & Compliance Officer	Nil	Nil	0.00



## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue constitutes a public Issue of 20,48,400 Equity Shares having face value of ₹ 10 each of our Company at an Issue Price of ₹ [●]/- per Equity Share.

#### FRESH ISSUE

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

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

*(Collectively referred as the “objects”)*

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

We are engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas. Our technical qualifications and empanelment with most industrial customers attest to our reliability and competence. Moreover, distribution of Natural gas is facilitated through common carrier pipeline networks operated by major public and private sector players in the Indian market.

In addition to our operational endeavours, our business is secured with the Indian Gas Exchange (IGX) through its clearing member. This client membership enables us to source natural gas on-demand for our short-term requirements from the free market, where prices are determined through a transparent exchange mechanism. Moreover, it also provides flexibility to offload excess Gas if necessary. As at March 31, 2024, our portfolio includes a substantial daily volume of 4000-5000 MMBTU of gas from various sources. We engage in long-term contracts linked with formulas, determined through mutual discussions with our customers.

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue. We confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

#### REQUIREMENT OF FUNDS

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

The following table summarizes the requirement of funds:

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

\*Subject to finalization of Basis of Allotment.

#### UTILIZATION OF NET PROCEEDS

The Net Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in Lakhs)	% of Gross Issue Proceeds

Sr. No.	Particulars	Amount (₹ in) Lakhs	% of Gross Issue Proceeds
1.	To Meet Working Capital Requirements	3,820.00	[•]
2.	General Corporate Purposes <sup>^</sup>	[•]	[•]
<b>Net Issue Proceeds</b>		[•]	[•]

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

## MEANS OF FINANCE

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

(₹ in Lakhs)

Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals / Borrowing
1.	To Meet Working Capital Requirements	12,616.13	3,820.00	8,796.13*
2.	General Corporate Purposes	[•]	[•]	0
3.	Public Issue Expenses	[•]	[•]	0
<b>Total</b>		[•]	[•]	<b>8,796.13</b>

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

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

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

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

For further details on the risks involved in our business plans and executing our business strategies, please refer section titled "Risk Factors" beginning on Page 28 of this Red Herring Prospectus.

## DETAILS OF USE OF ISSUE PROCEEDS

### 1. TO MEET WORKING CAPITAL REQUIREMENTS:

We are engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas. Our technical qualifications and empanelment with most industrial customers attest to our reliability and competence. Moreover, distribution of Natural gas is facilitated through common carrier pipeline networks operated by major public and private sector players in the Indian market. Net Working Capital requirement of our Company as on March 31, 2024 on restated standalone basis was ₹ 2,332.32 Lakhs as against that of ₹ 1,151.78 Lakhs, and ₹ 553.17 Lakhs as on March 31, 2023, and March 31, 2022 respectively. The Net Working capital requirements for the FY 2024-25 is estimated to be ₹ 7,719.90 Lakhs and ₹ 12,616.13 lakhs in FY 2025-26. The Company will meet the requirement to the extent of ₹ 3,820.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirement.

#### Reasons for raising additional working capital.

We are engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas. Our technical qualifications and empanelment with most industrial customers attest to our reliability and competence. Moreover, distribution of Natural gas is facilitated through common carrier pipeline networks operated by major public and private sector players in the Indian market.

In addition to our operational endeavours, our business is secured with the Indian Gas Exchange (IGX) through its clearing member. This client membership enables us to source natural gas on-demand for our short-term requirements from the free market, where prices are determined through a transparent exchange mechanism. Moreover, it also provides flexibility to offload excess Gas if necessary. As at March 31, 2024, our portfolio includes a substantial daily volume of 4000-5000 MMBTU of gas from various sources. We engage in long-term contracts linked with formulas, determined through mutual discussions with our customers.

Company has started with Gas Aggregation and Sale of Natural Gas on July 2022 due to which Our Revenue from Operation has increased from ₹ 869.04 Lakhs in FY 2021-22, ₹ 5,142.64 Lakhs in FY 2022-23 to ₹ 13,473.25 Lakhs for the FY 2023-24. Revenue from Operation from Sale of Natural Gas has increased from Nil in FY 2021-22 to ₹ 3,869.17 Lakhs in FY 2022-23 and to ₹ 11,374.57 lakhs in FY 2023-24.

We expect that our working capital requirement will correspondingly increase in line with increase in our revenue from operations and would be around the current percentage of our net working capital to our revenue from operations i.e. ₹ 1,151.78 lakhs working capital against ₹ 5,142.64 lakhs Revenue from Operation for the FY 2022-23 being 22.40% of Revenue from Operation. Further, our Company has considered that the contribution of sale of Natural Gas as a percentage to our revenue from operations would be higher than the other goods and services sold. This would require us to maintain higher level of inventory days and will also be subject to higher trade receivable days.

Accordingly, while the net working capital has increased in absolute terms corresponding to the increase in the revenue from operations of our Company, the working capital as days such as inventory days, trade receivable days, fixed deposits towards bank guarantee, other current assets in days and trade payable in days is line with the historical trends.

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

(₹ in lakhs)

Particulars	(Projected)		(Restated Basis)		
	31-Mar-26	31-Mar-25	31-Mar-24	31-Mar-23	31-Mar-22
<b>Inventories</b>					
Stock-in-trade	2,351.18	1,377.63	268.62	382.62	102.32
Investment held under lien	5,718.75	4,230.05	1,183.74	571.81	323.32
Trade receivables	9,106.53	6,051.91	1,458.06	988.84	208.43
Cash and cash equivalents	103.03	92.61	560.98	181.82	57.55
Loans and Advances	188.92	107.96	39.20	54.27	40.04
Other Assets	524.53	375.83	85.93	133.68	33.55
<b>Total Current Assets</b>	<b>17,992.94</b>	<b>12,235.98</b>	<b>3,596.52</b>	<b>2,313.03</b>	<b>765.21</b>

Particulars	(Projected)		(Restated Basis)		
	31-Mar-26	31-Mar-25	31-Mar-24	31-Mar-23	31-Mar-22
Trade payables	3,936.78	3,341.19	509.88	747.67	30.61
Other Liabilities	888.32	706.49	637.11	413.49	181.37
Short-term provisions	551.71	468.40	117.21	0.09	0.06
<b>Total Current Liabilities</b>	<b>5,376.81</b>	<b>4,516.08</b>	<b>1,264.21</b>	<b>1,161.25</b>	<b>212.04</b>
<b>Net Working Capital</b>	<b>12,616.13</b>	<b>7,719.90</b>	<b>2,332.32</b>	<b>1,151.78</b>	<b>553.17</b>
<b>Sources of Funds</b>					
Internal Accruals/ Borrowing <sup>[1]</sup>	8,796.13	5,219.90	2,332.32	1,151.78	553.17
Proceeds from IPO*	3,820.00	2,500.00	0.00	0.00	0.00
<b>Total</b>	<b>12,616.13</b>	<b>7,719.90</b>	<b>2,332.32</b>	<b>1,151.78</b>	<b>553.17</b>

Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated August 02, 2024 having UDIN: 24193591BKAF0E9567.

[1] As on March 31, 2024, Company has outstanding amount of ₹ 364.01 lakhs as Working Capital, Business loan and Cash Credit limit from Bank and Other Institution.

\*The estimates of incremental working capital requirements for the year ended March 31, 2025 and March 31, 2026.

(₹ in lakhs)

Particulars	31-Mar-26	31-Mar-25	31-Mar-24
Incremental Working Capital	4,896.23	5,387.59	1,180.54
<b>Funding Pattern</b>			
From Internal Accruals / Borrowing	3,576.23	2,887.59	1,180.54
<b>From IPO Proceeds</b>	<b>1,320.00</b>	<b>2,500.00</b>	<b>0.00</b>

**Assumptions for working capital requirements:**

Particulars	Holding level (in Months/Days)				
	(Projected)		(Restated Basis)		
	31-Mar-26	31-Mar-25	31-Mar-24	31-Mar-23	31-Mar-22
<b>Trade Receivables (A)</b>					
Number of months of Trade Receivables	2.32	1.98	1.30	2.31	2.88
Number of Days of Trade Receivables	70.00	59.00	39.00	69.00	86.00
<b>Stock-in-trade (B)</b>					
Number of months for Stock-in-trade	0.71	0.53	0.28	1.07	2.99
Number of Days for Stock-in-trade	21.00	16.00	8.00	32.00	90.00
<b>Current Liabilities (C)</b>					
Number of months of Trade Payable	1.16	1.25	0.54	1.96	0.72
Number of days of Trade Payable	35.00	38.00	16.00	59.00	21.00

**Note:**

- Holding period level (in months/days) of Trade Receivables is calculated by dividing trade receivables by revenue from operations multiplied by number of months/days in the year.
- Holding period level (in months/days) of stock-in-trade is calculated by dividing Stock-in-trade by Cost of Goods Sold multiplied by number of months/days in the year.

3. Holding period level (in months/days) of Trade Payables is calculated by dividing trade payables by Purchase of Stock-in-trade multiplied by number of months/days in the year.

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

Sr. No.	Particulars	Details
<b>Current Assets</b>		
1.	Trade receivables	<p>Trade receivables are amount owed to Company by customers following sale of goods and services i.e. Sale &amp; Supply of CBM Gas, Natural Gas, LNG Dual Fuel Kit, Management Consultancy Fees, Erection and Commissioning income and Other services on credit.</p> <p>From FY 2021-22 to FY 2022-23, our trade receivables holding period has witnessed a reduction from 86 days to 69 days. This positive trend can be attributed to the favorable credit terms offered by our customers. Additionally, Company has started with Gas Aggregation and Sales on July 2022 due to which Our Revenue from Operation has increased from ₹ 869.04 Lakhs in FY 2021-22, ₹ 5,142.64 Lakhs in FY 2022-23 to ₹ 13,473.25 Lakhs in FY 2023-24. Trade Receivable days of 39 days in FY 2023-24 is not comparable due to receipt of payment at the end of the year. Looking ahead, we anticipate Trade Receivable days in similar line with the holding period of FY 2022-23 and gradually increasing with increase in Revenue from Operation.</p> <p>Company estimates Trade Receivables Holding period of 58-65 days in FY 2024-25 and gradually increasing with increase in Revenue from Operation to 65-75 days in FY 2025-26. Increase in Trade Receivable days is mainly due to increase in estimated volume of sales and increase in credit period provided to customers.</p>
2.	Stock-in-trade	<p>Inventories of our company consists of Stock-in-trade consisting of CNG Kit Equipment, Consumable stores, work-in-progress and Natural Gas.</p> <p>Till July 2022, Company's stock-in-trade only includes CNG Kit Equipment. After July 2022, Company has started with Gas Aggregation and Sale of Natural Gas on July 2022 due to which Natural Gas as stock-in-trade was added. Natural Gas decreased from ₹ 314.41 Lakhs in FY 2022-23 to ₹ 211.78 Lakhs in FY 2023-24 representing stock-in-trade holding period of 32 days in FY 2022-23 and 8 days in FY 2023-24.</p> <p>Company estimates Stock-in-trade Holding period of 16 days in FY 2024-25 and gradually increasing with increase in Revenue from Operation to 21 days in FY 2025-26. Increase in stock-in-trade was mainly due to increase in volume of sales from Natural Gas.</p>
<b>Current Liabilities</b>		
3.	Trade Payables	<p>Trade payables are amount to be paid to suppliers by company following purchase of stock-in-trade and services rendered by supplier on credit.</p> <p>The trade payables holding period till FY 2021-22 were in the range of 21-25 days. After July 2022, Company started with supply of Natural Gas due to which Revenue from operation increased. Purchase of stock-in-trade increased in similar proportion with Revenue from Operation. Trade Payable holding period were in the range of 55-65 days in FY 2022-23. However in FY 2023-24, Closing balance of trade payable was ₹ 509.88 lakhs i.e. was on lower side due to payment before the reporting date i.e. March 31, 2024 (not comparable).</p> <p>Company estimates Trade Payable Holding period of 35-40 days in FY 2024-25 and gradually decreasing to 31-35 days in FY 2025-26. With improved cash flow, we can settle our trade payables more promptly, further reducing the holding period which will provide better pricing from vendors and negotiating better deals.</p>

Apart from above there are other working capital requirements such as Investment under lien, Cash and cash equivalents, Other Assets, Loans and advances, short term provisions and other Liabilities. Details of which are given below.

<b>Investment held under lien</b>	<p>Investment includes Earmarked balances in Fixed Deposits against Bank Guarantee. With increase in Purchase of stock-in-trade (mainly Natural Gas), Company will require a higher Bank Guarantee. Generally, Bank Guarantee is determined based on MMBTU/SCMD daily supply multiplied by 30 days and given price of the gas.</p> <p>For Higher Bank Guarantee limits our company has to maintain a healthy balance with lender in form of Fixed Deposit.</p>
<b>Cash and Cash Equivalents</b>	<p>Cash and cash equivalents include cash in hand and balance in current account excluding Fixed Deposits held under lien. Cash and Cash Equivalent balance is estimated based on amount required for day-to-day Business operation and for expected Business requirement of company.</p>
<b>Other Assets</b>	<p>Other Assets include, Balance with Revenue Authorities, Advance for Capital Asset, Security Deposits with Vendors, Projects Retention Money, Rent Deposit and Other Deposits. Projected Other Assets are estimated based on previous year outstanding amount and for expected Business requirement of company.</p>
<b>Other liabilities</b>	<p>Other Liabilities mainly include Statutory dues, creditors for expenses, Advance from Customers, Due to Employees and advances &amp; deposits received. Other current liabilities are estimated based on previous year outstanding amount and for expected Business requirement of company.</p>
<b>Short-term provisions</b>	<p>Short-term provisions mainly include provision for gratuity, tax and expenses. Short-term provisions are estimated based on previous year outstanding amount and for expected Business requirement of company.</p>

## 2. GENERAL CORPORATE PURPOSES:

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ [●] Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

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

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

corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

### 3. ISSUE RELATED EXPENSES

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

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

#### Notes:

- Up to July 31, 2024, Our Company has deployed/incurred expense of ₹ 18.43 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor, M/s. Abhishek Kumar & Associates, Chartered Accountants vide its certificate dated August 05, 2024, bearing UDIN: 24132305BKEYZQ9151.
- Any expenses incurred towards aforesaid issue related expenses during the period from September 21, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:
 

Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.

8. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

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

### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

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

(₹ in Lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Proceeds	Amount to be funded from Internal Accruals / Borrowing	Amount already deployed	Estimated Utilization of Net Proceeds (In FY 2024-25)*	Estimated Utilization of Net Proceeds (In FY 2025-26)*
1.	Working Capital Requirements	12,616.13	3,820.00	8,796.13	0.00	2,500.00	1,320.00
2.	General Corporate Purposes	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>		[•]	[•]	[•]	[•]	[•]	[•]

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

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

### APPRAISAL REPORT

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

### BRIDGE FINANCING

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

### INTERIM USE OF FUNDS

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

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

### MONITORING UTILIZATION OF FUNDS



There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

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

#### **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

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

## BASIS FOR ISSUE PRICE

The Price Band, Offer Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares by the Book Building Process and on the basis of the following quantitative and qualitative factors as described below. The financial data presented in this section are based on our Company’s Restated Consolidated Financial Statements. Investors should also refer to the sections/chapters titled “Risk Factors” and “Restated Financial Information” on page no. 28 and 177 respectively, of this Red Herring Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

- Customized Solutions and Services
- Adaptability to Changing Gas Pricing Landscape
- Embracing Government Reforms
- Diversified Portfolio for Future Growth
- Experienced Leadership and Execution Team

For details of qualitative factors, please refer to the paragraph “Our Competitive Strengths” in the chapter titled “Business Overview” beginning on page no. 109 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

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

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

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

#### Weighted Average

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weights
Financial Year ended March 31, 2024	15.83	3
Financial Year ended March 31, 2023	3.83	2
Financial Year ended March 31, 2022	1.04	1
<b>Weighted Average</b>	<b>9.37</b>	

#### Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year/ Total of weights.*
2. *Basic and diluted EPS are based on the Restated Consolidated Financial Information.*
3. *The number of shares are adjusted by Increase in share Capital through issue of Bonus shares on February 12, 2024 in the ratio of 15:1 i.e., 15 (Fifteen) Equity Shares for every 1 (One) Equity Share held.*

#### Simple Average

Financial Year/Period	Basic and Diluted EPS (in ₹)
Financial Year ended March 31, 2024	15.83
Financial Year ended March 31, 2023	3.83
Financial Year ended March 31, 2022	1.04
<b>Simple Average</b>	<b>6.90</b>

**Notes:**

1. Simple average = Aggregate of year-wise EPS divided by the aggregate of EPS for each year/ Number of years.
2. Basic and diluted EPS are based on the Restated Consolidated Financial Information.
3. The number of shares are adjusted by Increase in share Capital through issue of Bonus shares on February 12, 2024 in the ratio of 15:1 i.e., 15 (Fifteen) Equity Shares for every 1 (One) Equity Share held.

**2. Price to Earnings (P/E) ratio in relation to Floor Price / Cap Price of ₹ [●]:**

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

Particulars	EPS (in ₹)	P/E at the Floor Price (No. of times)**	P/E at the Cap Price (No. of times)**
Based on EPS of Financial Year ended March 31, 2024	15.83	[●]	[●]
Based on Weighted Average EPS	9.37	[●]	[●]
Based on Simple Average EPS	6.90	[●]	[●]

\*\* The details shall be provided post the fixing of price band by our Company at the stage of Red Herring Prospectus or the filing of price band advertisement.

**Industry PE:**

The company is mainly engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas.

There are no listed companies which are of comparable size, belong to the same industry as to Company or with a business model similar to that of the Company. Accordingly, it is not possible to provide an Industry PE in relation to the Company.

**3. Return on Net Worth:**

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

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2024	59.01%	3
Financial Year ended March 31, 2023	37.54%	2
Financial Year ended March 31, 2022	16.36%	1
<b>Weighted Average</b>	<b>44.74%</b>	

Note: Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

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

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

Particular	Amount (in ₹)
Financial Year ended March 31, 2024	26.82
Financial Year ended March 31, 2023	10.21
Financial Year ended March 31, 2022	6.38

Particular	Amount (in ₹)
After the Issue	
- At Floor Price	[●]
- At Cap Price	[●]
Issue Price*	[●]

\* To be determined after the book building process.

Notes:

- The number of shares are adjusted by Increase in share Capital through issue of Bonus shares on February 12, 2024 in the ratio of 15:1 i.e., 15 (Fifteen) Equity Shares for every 1 (One) Equity Share held
- Issue Price per equity share has been determined by our Company, in consultation with the Book Running Book Running Lead Manager.

#### 5. Comparison of Accounting Ratios with Peer Group Companies:

The company is mainly engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas.

Given the business model, there are no direct listed companies, whose business portfolio is comparable with that of our Company's business and comparable to our scale of operations. Hence, it is not possible to provide an industry comparison in relation to our Company. Our Company does not have any listed industry peers in India and it may be difficult to benchmark and evaluate our financial performance against other companies that operate in the same industry as that of Company.

- The Price Band and Issue Price of ₹ [●]/- will be determined by our Company in consultation with the Book Running Lead Manager on the basis of assessment of market demand for the Equity Shares by the Book Building Process and on the basis of the above mentioned quantitative and qualitative ratios. For further details, please refer to the section titled "Risk Factors" and chapters titled "Business Overview" and "Restated Financial Information" beginning on page nos. 28, 109 and 177 respectively of this Red Herring Prospectus.

#### KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS ("KPIs")

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 20, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. S V J K and Associates, by their certificate dated August 02, 2024 having UDIN: 24193591BKAF0F6751.

The KPIs of our Company have been disclosed in the sections "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" starting on pages 109 and 179, respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" beginning on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the

disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

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

### FINANCIAL KPIs OF OUR COMPANY

Particulars	For the Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations (₹ in Lakhs)	13473.25	5142.64	869.04
Growth in Revenue from Operations (YoY %)	161.99%	491.76%	-
Gross Profit (₹ in Lakhs)	2013.56	850.61	458.48
Gross Profit Margin (%)	14.94%	16.54%	52.76%
EBITDA (₹ in Lakhs)	1204.27	299.74	88.97
EBITDA Margin (%)	8.94%	5.83%	10.24%
Profit After Tax (₹ in Lakhs)	878.78	212.80	57.98
PAT Margin (%)	6.52%	4.14%	6.67%
RoE (%)	85.48%	46.19%	16.97%
RoCE (%)	61.55%	26.37%	11.33%
Net Fixed Asset Turnover (In Times)	67.79	24.43	4.74
Operating Cash Flows (₹ in Lakhs)	635.19	99.09	(69.17)

*Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated August 02, 2024 having UDIN: 24193591BKAF0F6751.*

#### Notes:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) Gross Profit is calculated as Revenue from Operations less Purchase of stock in trade goods and Changes in inventories of stock in trade goods.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- 5) EBITDA is calculated as Profit Before Extraordinary Items and Tax, plus tax expenses (consisting of current tax and deferred tax), finance costs and depreciation and amortization expenses reduced by other income.
- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit After Tax Means Profit for the period/year as appearing in the Restated Consolidated Financial Statements.
- 8) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes (Profit before extraordinary items and tax plus finance costs) divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing & Short-Term Borrowing and Deferred Tax Liability.
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Fixed Assets which consists of Tangible assets.
- 12) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Consolidated Financial Statements.

#### Explanation for KPI metrics

KPI	Explanations
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KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.
Gross Profit (₹ in Lakhs)	Gross Profit provides information regarding the profits from manufacturing of products by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the profitability on sale of products manufactured by the Company.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Fixed Asset Turnover (In Times)	Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows provides how efficiently our company generates cash through its core business activities.

#### WEIGHTED AVERAGE COST OF ACQUISITION:

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

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

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

There has been no secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

Since there are no transactions to report to under (a) and (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is as below:

*There has been no primary or secondary transactions not older than 3 years prior to the date of this Red Herring Prospectus irrespective of the size of transactions excluding issue of 52,05,000 Bonus equity shares in the ratio of 15:01*

(Fifteen) new equity share of ₹ 10/- each for every 1 (One) existing fully paid-up shares of ₹ 10/- each to existing shareholders of the company on February 23, 2024.

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

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

\* Since Weighted Average Cost is Nil.

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

**Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated August 02, 2024 having UDIN: 24193591BKAF0F6751.**

Note:

**Justification for Basis of Issue price: -**

1. The following provides a detailed explanation for the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Red Herring Prospectus compared to our Company's KPIs and financial ratios for the period ended November 30, 2023 and Financial Years 2022-23, 2021-22 and 2020-21.

[●]

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

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

[●]

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

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with "Risk Factors", "Business Overview" and "Summary of Restated Financial Information" beginning on pages 28, 109 and 50, respectively of this Red Herring Prospectus, to have a more informed view.



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**STATEMENT OF SPECIAL TAX BENEFITS**

To,  
The Board of Directors,  
Positron Energy Limited

Dear Sir,

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

**Ref: Proposed Initial Public Offering of Equity Shares of Face Value ₹ 10 Each (The “Equity Shares”) of Positron Energy Limited (The “Company”).**

1. We hereby confirm that the enclosed Annexure I, prepared by Positron Energy Limited (‘the Company’), which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2025-26 relevant to the financial year 2024-25, available to the Company and its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, and its shareholders and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, and its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
4. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. We do not express any opinion or provide any assurance as to whether
  - i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities courts will concur with the views expressed herein.
6. The Content of the enclosed Annexures are based on information, explanations and representations obtained from the company and on the basis of their understanding of the business activities and operations of the company.

7. No assurance is given that the revenue authorities/ Courts will concur with the view expressed herein. Our views are based on existing provisions of law and its implementation, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
8. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
9. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Red Herring Prospectus/Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For M/s. S V J K and Associates,**  
**Chartered accountants**  
Firm reg. No. – 135182W

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**CA Reeturaj Verma**  
**Partner**  
Membership no. 193591  
UDIN: 24193591BKAFOD6941

Date: August 02, 2024  
Place: Ahmedabad

## **ANNEXURE I TO THE STATEMENT OF TAX BENEFITS**

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

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

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

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

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

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

#### **Note:**

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

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

## SECTION VIII – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section is derived from extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the BRLM, or any of our or their respective affiliates or advisors. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Summary Financial Statements*” and related notes beginning on page 28 and 50 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

### GLOBAL ECONOMIC OVERVIEW

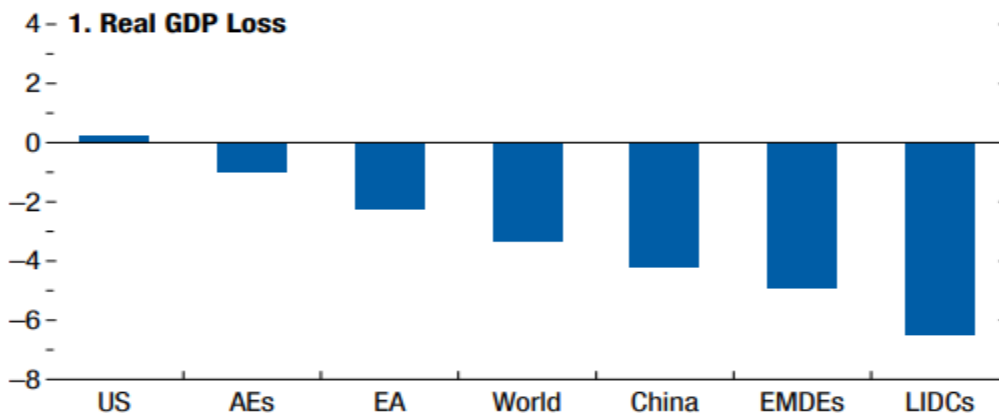
The global recovery from the COVID-19 pandemic and Russia’s invasion of Ukraine remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year’s peaks, it is too soon to take comfort. Economic activity still falls short of its pre-pandemic path, especially in emerging markets and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical in nature, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. The projections remain below the historical (2000–19) average of 3.8 percent, and the forecast for 2024 is down by 0.1 percentage point from the July 2023 Update to the World Economic Outlook. For advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have modestly decline growth, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases. Risks to the outlook are more balanced than they were six months ago, on account of the resolution of US debt ceiling tensions and Swiss and US authorities’ having acted decisively to contain financial turbulence. The likelihood of a hard landing has receded, but the balance of risks to global growth remains tilted to the downside. China’s property sector crisis could deepen, with global spillovers, particularly for commodity exporters. Near-term inflation expectations have risen and could contribute—along with tight labour markets—to core inflation pressures persisting and requiring higher policy rates than expected. More climate and geopolitical shocks could cause additional food and energy price spikes. Intensifying geoeconomic fragmentation could constrain the flow of commodities across markets, causing additional price volatility and complicating the green transition. Amid rising debt service costs, more than half of low-income developing countries are in or at high risk of debt distress. There is little margin for error on the policy front. Central banks need to restore price stability while using policy tools to relieve potential financial stress when needed. Effective monetary policy frameworks and communication are vital for anchoring expectations and minimising the output costs of disinflation. Fiscal policymakers should rebuild budgetary room for maneuver and withdraw non targeted measures while protecting the vulnerable. Reforms to reduce structural impediments to growth—by, among other things, encouraging labour market participation—would smooth the decline of inflation to target and facilitate debt reduction. Faster and more efficient multilateral coordination is needed on debt resolution to avoid debt distress. Cooperation is needed as well to mitigate the effects of climate change and speed up the green transition by ensuring steady cross-border flows of the necessary minerals.

#### **Growing Global Divergence**

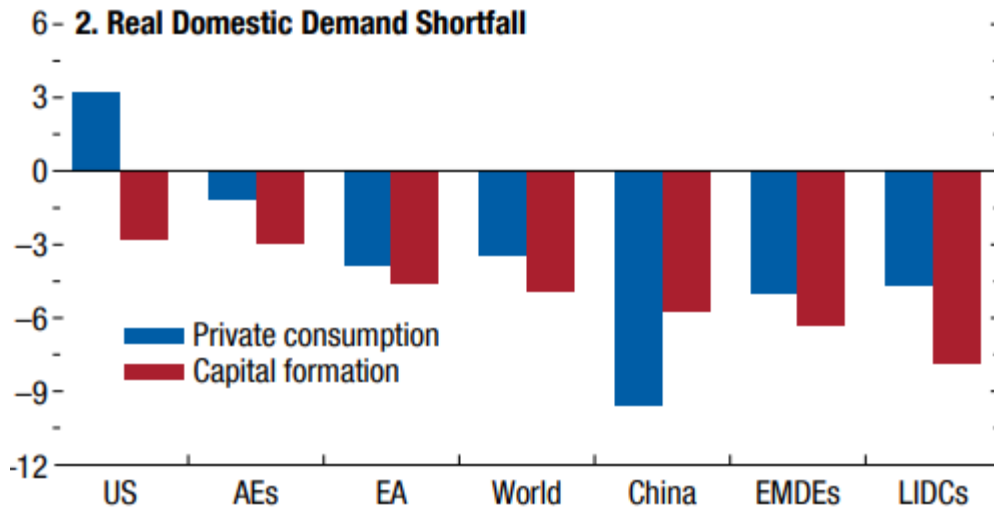
More than three years after the global economy suffered the largest shock of the past 75 years, the wounds are still healing, amid widening growth divergences across regions. After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term

consequences of the pandemic, Russia’s war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of pre-pandemic (January 2020) projections, especially in emerging markets and developing economies as given in the following Graph:

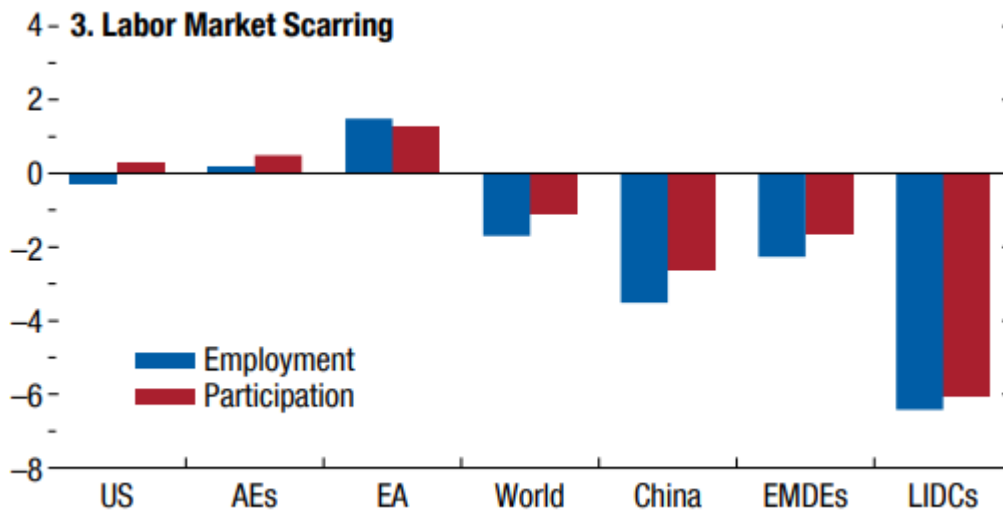
**Incomplete Recovery: Scarring from the Shocks  
of 2020–22**  
*(Percent; deviation in 2023 from prepandemic projections)*



The strongest recovery among major economies has been in the United States, where GDP in 2023 is estimated to exceed its pre-pandemic path. The euro area has recovered, though less strongly—with output still 2.2 percent below pre pandemic projections, reflecting greater exposure to the war in Ukraine and the associated adverse terms-of-trade shock, as well as a spike in imported energy prices. In China, the pandemic-related slowdown in 2022 and the property sector crisis contribute to the larger output losses of about 4.2 percent, compared with pre pandemic predictions. Other emerging markets and developing economies have seen even weaker recoveries, especially low-income countries, where output losses average more than 6.5 percent. Higher interest rates and depreciated currencies have exacerbated the difficulties of low-income countries, placing more than half either at high risk of distress or already in distress. Overall, global output for 2023 is estimated at 3.4 percent (or about \$3.6 trillion in 2023 prices) below pre-pandemic projections. Private consumption has also recovered faster in advanced economies than in emerging markets and developing economies, owing to an earlier reopening in the former group facilitated by greater availability of effective vaccines, stronger safety nets, more ample policy stimulus, and greater feasibility of remote work. These factors supported livelihoods during the pandemic, and household consumption is now broadly back to pre-pandemic trends. Among advanced economies, private consumption has been stronger in the United States than in the euro area, with households receiving larger fiscal transfers early in the pandemic and spending the associated savings more quickly; being better insulated from the rise in energy prices resulting from the war in Ukraine; and feeling relatively confident amid historically tight US labour markets, which have supported real disposable incomes as shown in following Graph:



Among emerging markets and developing economies, the consumption shortfall is particularly large in China, reflecting tight restrictions on mobility during the COVID-19 crisis. Divergences in labour market performance across regions broadly mirror those for output and consumption. Employment and labour participation rates are estimated to exceed pre pandemic trends in advanced economies but to remain significantly below them in emerging market and developing economies, reflecting more severe output losses and much weaker social protection. Countries that had the most limited fiscal space are also those where employment shortfalls are the largest (ILO 2023). Among advanced economies, the euro area has seen larger employment gains than the United States. This may reflect more extensive use in the former of worker-retention programs modelled on the German Kurzarbeit short-time work scheme (IMF 2020), which protect workers’ income and allow businesses to retain firm-specific human capital, reducing the costly process of separation, rehiring, and training. In the euro area, these programs bolstered employment during the most challenging phases of the crisis and accelerated the recovery when economies reopened (Figure 1.1, panel 3).



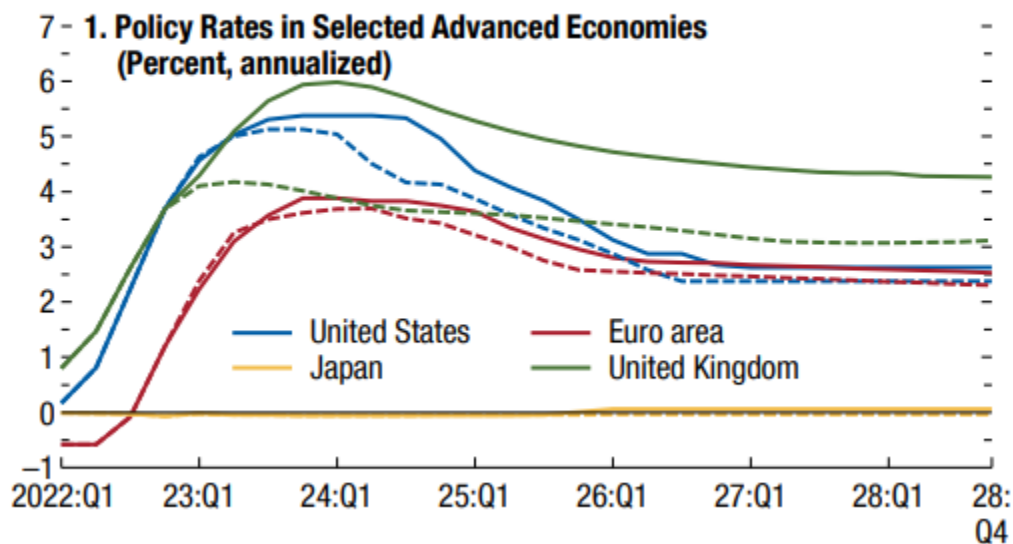
Investment, on the other hand, has uniformly fallen short of pre pandemic trends across regions. Businesses have shown less enthusiasm for expansion and risk taking amid rising interest rates, withdrawal of fiscal support, dimmer prospects for product demand, stricter lending conditions, and growing uncertainties regarding geoeconomic fragmentation. Higher leverage has further dampened investment which remains 3 percent to 10 percent lower across regions than had been projected before the pandemic. Moreover, the pandemic, war in Ukraine, and worsening climate shocks have contributed to a reversal in decades-long poverty reduction trends. According to World Bank staff estimates (Mahler and others 2022), 75

million to 95 million more people were living in extreme poverty in 2022 compared with pre pandemic estimates. Spikes in food prices and related insecurities following Russia’s invasion of Ukraine, as well as bouts of extreme weather, have accentuated these difficulties. The global average temperature in July 2023 was the highest on record for any month, amid reports of catastrophic flooding, heat waves, and wildfires in many regions. Overall, the global prevalence of undernourishment is significantly higher than before the pandemic (FAO and others 2023).

**Outlook: Stable but Slow**

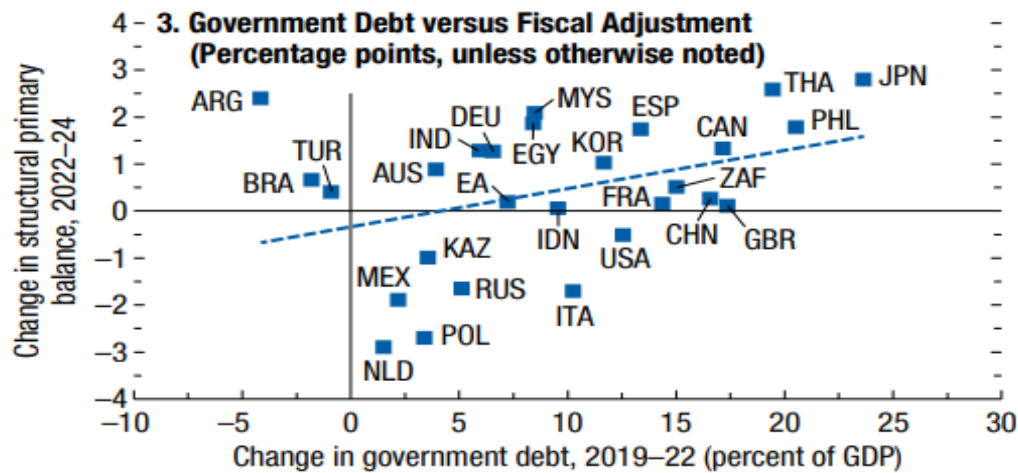
The latest projections confirm that the global economy is slowing as inflation declines from last year’s multi decade peak. A contraction in global per capita real GDP—which often happens in a global recession—is not part of the baseline scenario. Growth and employment in the first half of the year remained more resilient than forecast in the April 2023 WEO. Although there is little change in the forecast for the global average since the July 2023 WEO Update, several shifts in growth and inflation prospects are observed across countries. In addition, medium-term prospects for economic growth remain the lowest in decades, with middle- and lower-income countries facing a slower pace of convergence toward higher living standards. The baseline forecasts for the global economy are predicated on a number of assumptions as shown in next Figure, notably for fuel and non-fuel commodity prices, as well as the stances of monetary and fiscal policy:

**Monetary and Fiscal Policy Assumptions**



Commodity price assumptions: Prices of fuel commodities are projected to fall on average by 36 percent and oil prices by about 17 percent, with the decreases reflecting mainly the slowdown in global economic activity, and natural gas and coal prices to decline from their 2022 peaks by 61 percent and 51 percent, respectively. The forecast for non-fuel commodity prices is a decline of 6.3 percent, on average, in 2023, with prices for base metals expected to decrease by 4.7 percent, the decrease reflecting concerns regarding real estate investment in China. Food commodity prices, after rising by 14.8 percent in 2022, are predicted to decline by 6.8 percent in 2023, with prices remaining well above their 2021 levels. Compared with forecasts in the July 2023 WEO Update, an upward revision to wheat prices following the suspension of the Black Sea Grain Initiative (which occurred after the July 2023 WEO Update forecasting round) is broadly offset by downward revisions to other food commodity prices. • Monetary policy assumptions: Global interest rate assumptions are on average revised upward compared with those in the April 2023 WEO, reflecting actual and signaled policy tightening by major central banks. The Federal Reserve’s policy rate is expected to peak at its current level of about 5.4 percent, the Bank of England to raise its to peak at about 6.0 percent, and the European Central Bank to raise its to peak at 3.9 percent in 2023, before all three reduce rates in 2024. The higher policy path over the longer term has contributed to the rise in long-term policy rate assumptions. For Japan, policy rates for the medium term (2026–28) are revised upward, reflecting changes to the country’s yield-curve-control framework, and long-term rates are revised upward accordingly. As near-term inflation expectations decline, real interest rates are likely to stay elevated even after nominal rates start to fall. In addition, changes in monetary policy are becoming less synchronous, with some central banks that tightened policy earlier (such as the Central Bank of Brazil) initiating their easing cycle. Fiscal policy assumptions: Governments in advanced economies are on average expected to ease fiscal policy in 2023, following a rise in fiscal balances in 2022, whereas in emerging market and developing economies, the

projected fiscal stance is on average neutral. Fiscal consolidation is expected in 2024 in both groups of economies. Fiscal tightening is on average expected to be greater in economies that recently experienced a sharper rise in government debt as shown hereunder.



A rise in government debt amounting to 10 percentage points of GDP during 2019–22 is associated on average with fiscal consolidation (rise in the structural primary balance) of 0.8 percentage point of GDP during 2022–24. Exceptions to this pattern include, for example, Argentina, where despite a decline, debt levels remain high, and the fiscal stance is expected to continue tightening to secure fiscal and debt sustainability.

### Growth Forecast for Emerging Market and Developing Economies

For emerging market and developing economies, growth is projected to decline relatively modestly, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point for 2024 compared with the July 2023 WEO Update projection. However, this average path hides regional divergences, with growth in two of the five main geographic regions rising in 2023 and then falling in 2024.

Growth in the Middle East and Central Asia is projected to decline from 5.6 percent in 2022 to 2.0 percent in 2023, before picking up to 3.4 percent in 2024, with a 0.5 percentage point downward revision for 2023 and a 0.2 percentage point upward revision for 2024. The change for 2023 is attributable mainly to a steeper-than-expected growth slowdown in Saudi Arabia, from 8.7 percent in 2022 to 0.8 percent in 2023, with a negative revision to the latter of 1.1 percentage point. The downgrade for growth in Saudi Arabia in 2023 reflects announced production cuts, including unilateral cuts and those in line with an agreement through OPEC. Private investment, including that from “giga project” implementation, continues to support non-oil GDP growth, which remains strong and unchanged from previous projections. The downgrade for 2023 also reflects cuts to the growth forecast for Sudan to about –18.3 percent (a downward revision of nearly 20 percentage points) reflecting the outbreak of conflict, deteriorating domestic security, and the worsening humanitarian situation. The upgrade for 2024 reflects the unwinding of some of the announced production cuts.

(Source: World Economic Outlook by IMF, October 2023)

### **INDIAN ECONOMY**

For India, 2022 was special. It marked the 75th year of India’s Independence. India became the world’s fifth largest economy, measured in current dollars. Come March, the nominal GDP of India will be around US\$ 3.5 trillion. In real terms, the economy is expected to grow at 7 per cent for the year ending March 2023. This follows an 8.7 per cent growth in the previous financial year. The rise in consumer prices has slowed considerably. The annual rate of inflation is below 6 per cent. Wholesale prices are rising at a rate below 5 per cent. The export of goods and services in the first nine months of the financial year (April – December) is up 16 per cent compared to the same period in 2021-22. Although the high oil price this year compared to last inflated India’s import bill and caused the merchandise trade deficit to balloon, concerns over the current account deficit and its financing have ebbed as the year rolled on. Foreign exchange reserve levels are comfortable and external debt is low. India had a good monsoon, and reservoir levels are higher than last year and the 10-year average. The fundamentals of the Indian economy are sound as it enters its Amrit Kaal, the 25-year journey towards its centenary as a modern, independent nation. Policies pursued carefully and consciously have ensured that the recovery is robust and



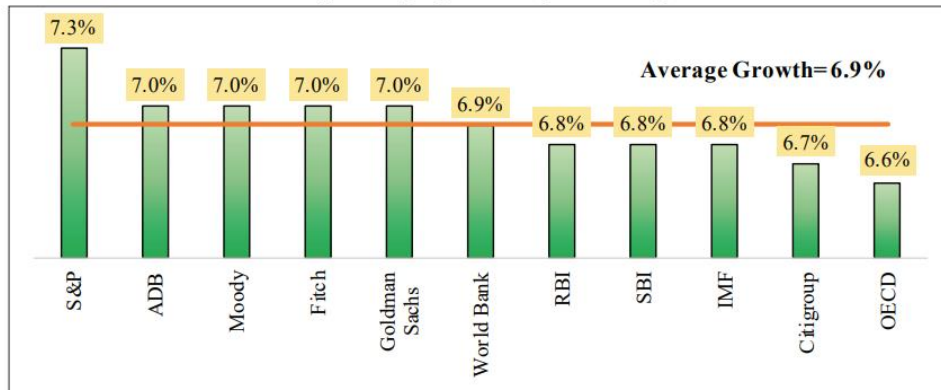
sustainable.

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year. Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year. The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trends, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24. India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in the Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding pace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP). The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment. Global growth has been projected to decline in 2023 and is expected to remain generally subdued in the following years as well. The slowing demand will likely push down global commodity prices and improve India's CAD in FY24. However, a downside risk to the Current Account Balance stems from a swift recovery driven mainly by domestic demand and, to a lesser extent, by exports. The CAD needs to be closely monitored as the growth momentum of the current year spills over into the next. Growth is expected to be brisk in FY24 as a vigorous credit disbursal, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

Monetary tightening by the RBI, the widening of the CAD, and the plateauing growth of exports have essentially been the outcome of geopolitical strife in Europe. As these developments posed downside risks to the growth of the Indian economy in FY23, many agencies worldwide have been revising their growth forecast of the Indian economy downwards. These forecasts, including the advance estimates released by the NSO, now broadly lie in the range of 6.5-7.0 per cent. Despite the downward revision, the growth estimate for FY23 is higher than for almost all major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic. IMF estimates India to be one of the top two

fast-growing significant economies in 2022. Despite strong global headwinds and tighter domestic monetary policy, if India is still expected to grow between 6.5 and 7.0 per cent, and that too without the advantage of a base effect, it is a reflection of India’s underlying economic resilience; of its ability to recoup, renew and re-energise the growth drivers of the economy.

**India growth projections by various agencies for FY23**



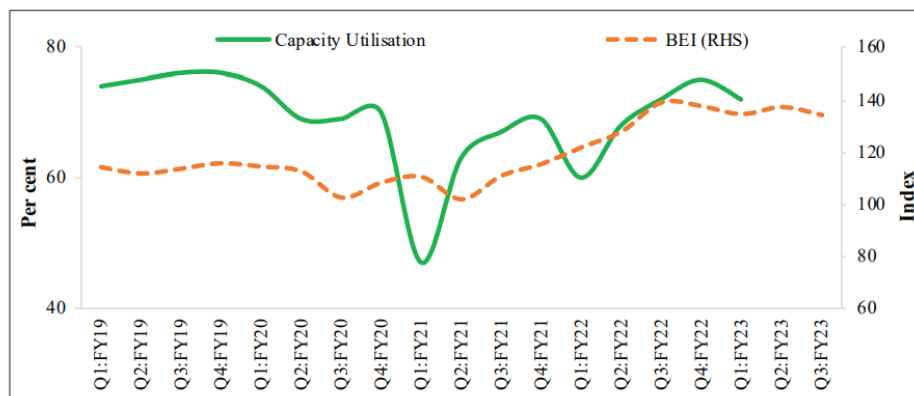
Source: Various Agencies

Note: ADB stands for Asian Development Bank, IMF is International Monetary Fund

India’s economic resilience can be seen in the domestic stimulus to growth seamlessly replacing the external stimuli. The growth of exports may have moderated in the second half of FY23. However, their surge in FY22 and the first half of FY23 induced a shift in the gears of the production processes from mild acceleration to cruise mode. Manufacturing and investment activities consequently gained traction. By the time the growth of exports moderated, the rebound in domestic consumption had sufficiently matured to take forward the growth of India’s economy. Private Consumption as a percentage of GDP stood at 58.4 percent in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport, which registered sequential growth of 16 per cent in real terms in Q2 of FY23 compared to the previous quarter.

Although domestic consumption rebounded in many economies, the rebound in India was impressive for its scale. It contributed to a rise in domestic capacity utilisation. Domestic private consumption remains buoyant in November 2022, as indicated by Motilal Oswal’s Economic Activity Index. The index estimates that private consumption grew at a five-month high pace of 5.6 per cent YoY, driven by auto sales and broad-based expansion of services.

**Enhanced capacity utilisation and business sentiments**



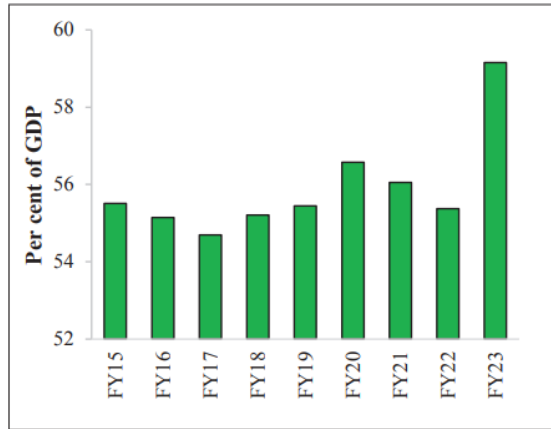
Source: RBI

Note: BEI – Business Expectations Index

The near-universal coverage of vaccination in India overseen by the government was the single most important reason that brought people out to the streets to re-experience the “bazaar” as the marketplace was rapidly populated with service providers returning to resume business. The contact-based service providers like restaurants, hotels, shopping malls, cinemas, and tourist destinations, among others, soon ran up a thriving business and have significantly contributed to keeping up the

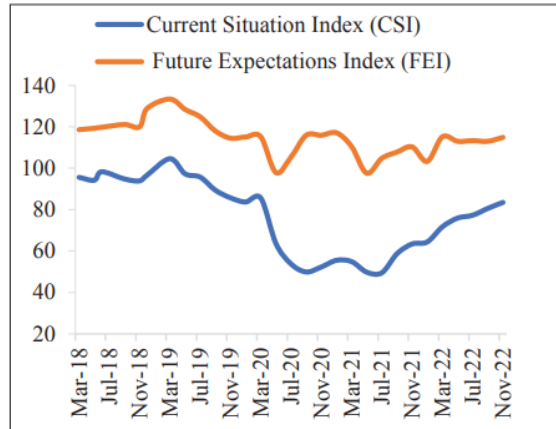
consumer sentiments, as captured in repeated surveys. If, on the one hand, the universal vaccination coverage saved lives, on the other, it served as a health stimulant to raise consumer sentiments and thus the recovery and growth of the economy.

**Private consumption highest since FY15 across H1**



Source: NSO, MoSPI

**Improving consumer confidence**

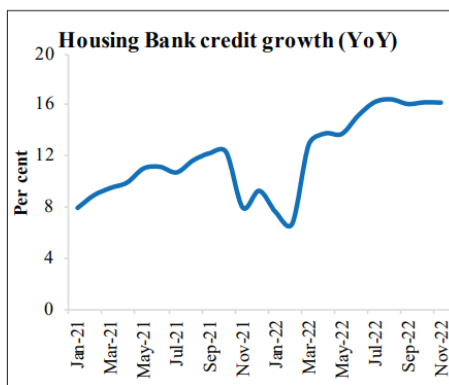


Source: RBI

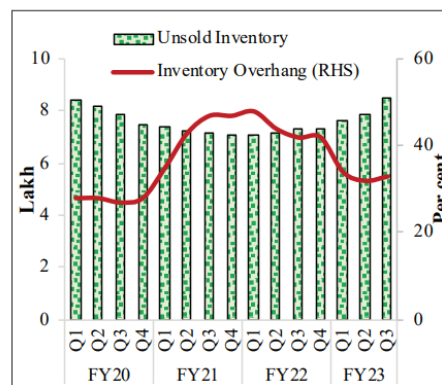
The rebound in consumption has also been supported by the release of “pent-up” demand, a phenomenon not again unique to India but nonetheless exhibiting a local phenomenon influenced by a rise in the share of consumption in disposable income. Since the share of consumption in disposable income is high in India, a pandemic-induced suppression of consumption built up that much greater recoil force. Hence, the consumption rebound may have lasting power. Accelerating growth in personal loans in India testifies to an enduring release of “pent-up” demand for consumption. RBI’s most recent survey of consumer confidence released in December 2022 pointed to improving sentiment with respect to current and prospective employment and income conditions.

The “release of pent-up demand” was reflected in the housing market too. Demand for housing loans picked up. Consequently, housing inventories have declined, prices are firming up, and construction of new dwellings is picking up pace. This has stimulated innumerable backward and forward linkages that the construction sector is known to carry. The universalisation of vaccination coverage also has a significant role in lifting the housing market as, in its absence, the migrant workforce could not have returned to construct new dwellings.

**Growth in bank credit to housing complimenting falling household inventory**

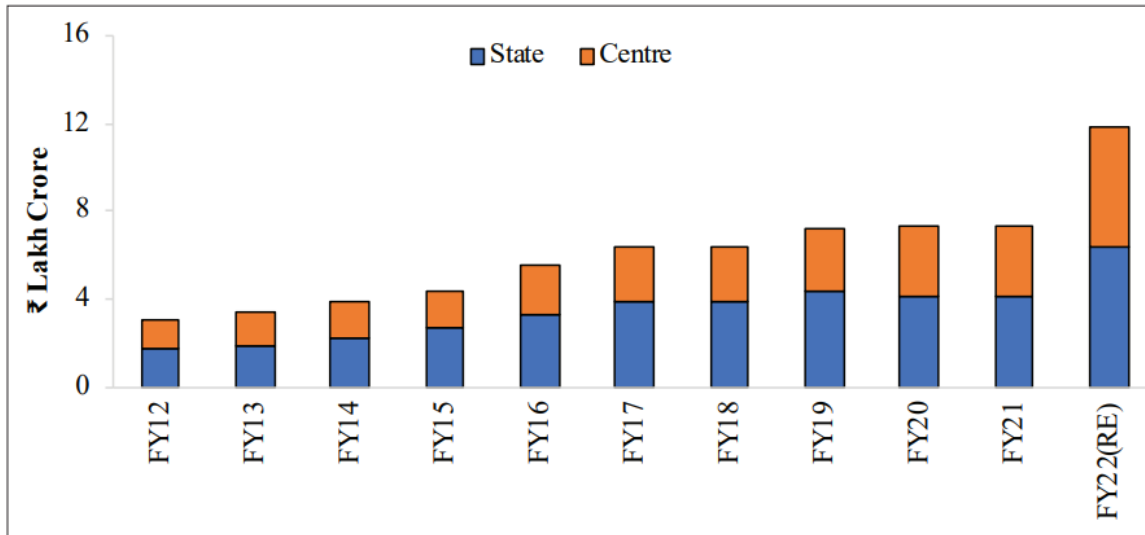


Source: RBI, PropTiger



Apart from housing, construction activity, in general, has significantly risen in FY23 as the much-enlarged capital budget (Capex) of the central government and its public sector enterprises is rapidly being deployed. Going by the Capex multiplier estimated for the country, the economic output of the country is set to increase by at least four times the amount of Capex. States, in aggregate, are also performing well with their Capex plans. Like the central government, states also have a larger capital budget supported by the centre’s grant-in-aid for capital works and an interest-free loan repayable over 50 years.

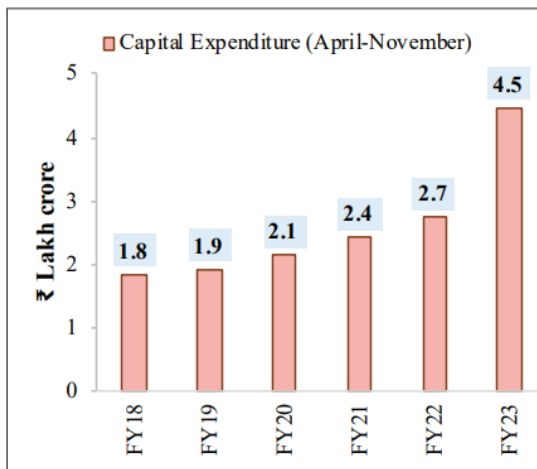
**Total capital expenditure grew at an average rate of 13.0% during FY12 and FY22**



Source: Union Budget, States Budgets, RBI

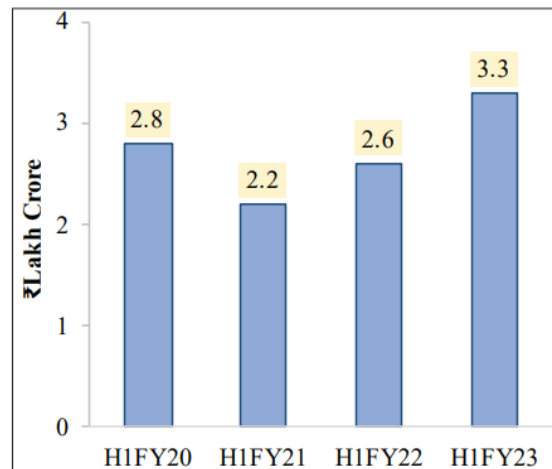
A capex thrust in the last two budgets of the Government of India was not an isolated initiative meant only to address the infrastructure gaps in the country. It was part of a strategic package aimed at crowding-in private investment into an economic landscape broadened by the vacation of non-strategic PSEs (disinvestment) and idling public sector assets. Three developments support this. First, the significant increase in the Capex budget in FY23, as well as its high rate of spending. Second, direct tax revenue collections have been highly buoyant, and so have GST collections, which should ensure the full expending of the Capex budget within the budgeted fiscal deficit. The growth in revenue expenditure has also been limited to pave the way for higher growth in Capex. Third, the pick-up in private sector investment since the January-March quarter of 2022. Evidence shows an increasing trend in announced projects and capex spending by the private players. Surveys of leading industry CEOs also reveal their plans and commitment to increasing Capex.

**Capex doubled in the past five years**



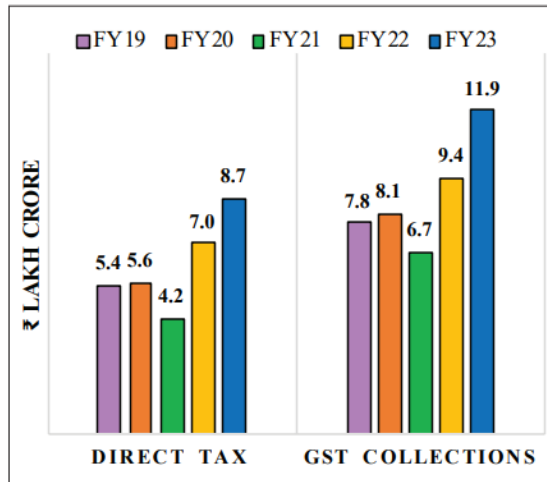
Source: CGA

**Private Investment remains upbeat**



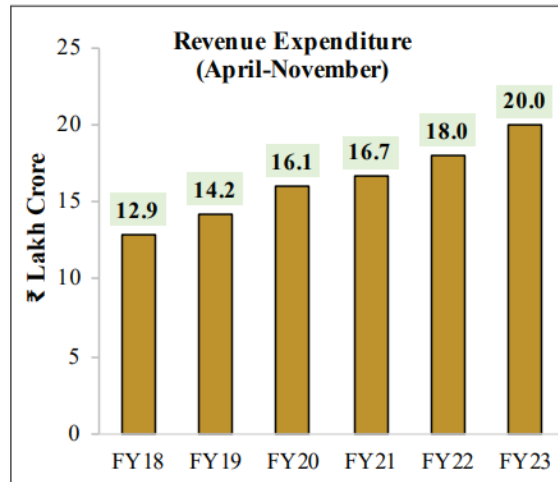
Source: Capitaline, Axis Bank Research

**Buoyant tax collections  
(April-November)**



Source: CGA

**Limited growth in  
revenue expenditure**



Source: CGA

While an increase in export demand, rebound in consumption, and public capex have contributed to a recovery in the investment/manufacturing activities of the corporates, their stronger balance sheets have also played a big part in equal measure to realising their spending plans. As per the data on non-financial debt from the Bank for International Settlements, in the course of the last decade, Indian non-financial private sector debt and non-financial corporate debt as a share of GDP declined by nearly thirty percentage points. This limited the increase in interest costs, which, together with possible savings on overheads during lockdowns, contributed to the recent fortification of corporate balance sheets by higher profits. In FY22, the surge in exports also contributed to increasing profits in the corporate world. After-tax profits were also boosted by the lower taxes announced in 2019. Better profitability helped corporates pay down debt. Consequently, not only do corporations have more scope to borrow now, but their improved financial health has also reassured their prospective lenders to expand their credit portfolios. As per Axis Bank Business and Economic Research, Capex by the Corporate sector increased to ₹3.3 lakh crore in H1 of FY23, driven by heavy investments in electricity, steel, chemicals, auto and pharmaceuticals sectors.

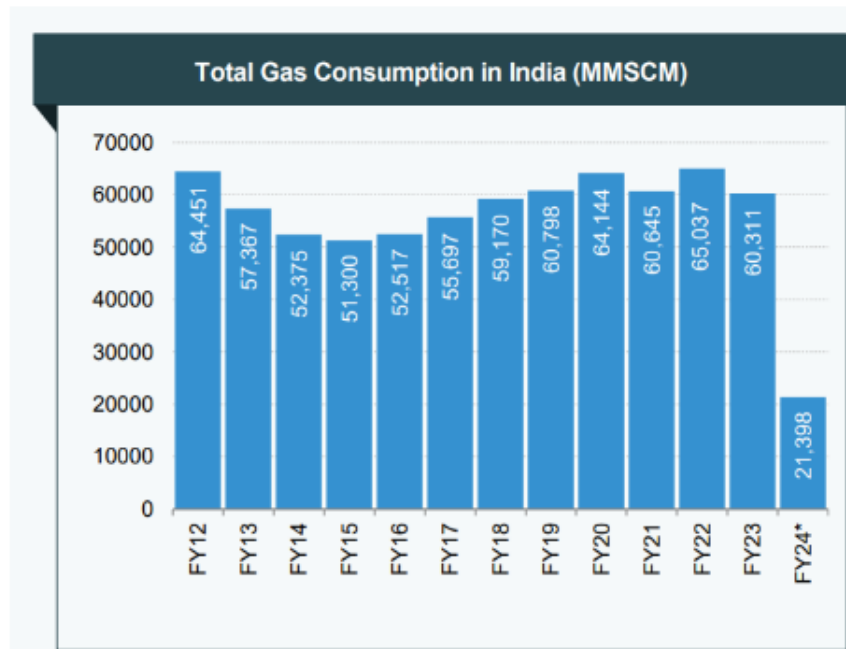
The banking sector in India has responded in equal measure to the demand for credit. The Year-on-Year growth in credit since the January-March quarter of 2022 has moved into double-digits and is rising across most sectors. The credit growth to the MSME sector has been remarkably high, over 30.5 per cent, on average, during Jan-Nov 2022, supported by the extended ECLGS of the central government. The aggressive supply of credit by the banking sector has as much been triggered by their improved financial health as that of the corporates. The finances of the public sector banks have seen a significant turnaround, with profits being booked at regular intervals and their Non-Performing Assets (NPAs) being fast-tracked for quicker resolution/liquidation by the Insolvency and Bankruptcy Board of India (IBBI). At the same time, the government has been providing adequate budgetary support for keeping the PSBs well-capitalised, ensuring that their Capital Risk-Weighted Adjusted Ratio (CRAR) remains comfortably above the threshold levels of adequacy. The successful macro stress tests performed on the banking sector further testify to its financial strength. It does help that the banking sector has negligible cross-border claims in times when currency risk is high. Nonetheless, financial strength has helped banks make up for lower debt financing provided by corporate bonds and External Commercial Borrowings (ECBs) so far in FY23. Rising yields on corporate bonds and higher interest/hedging costs on ECBs have made these instruments less attractive than the previous year.

RBI has projected headline inflation at 6.8 percent in FY23, which is outside its target range. At the same time, it is not high enough to deter private consumption and also not so low as to weaken the inducement to invest. Moderately high inflation has further ensured the anchoring of inflationary expectations preventing prices from weakening demand and growth in India. Additionally, with inflation on the declining path, the interest cost of domestic credit will likely decline, inducing a further increase in demand for credit by corporates and retail borrowers. (Source: Indian Economic Survey 2023)

## OIL AND GAS INDUSTRY: INDIAN PERSPECTIVE

The oil and gas sector is among the eight core industries in India and plays a major role in influencing the decision-making for all the other important sections of the economy.

India’s economic growth is closely related to its energy demand, therefore, the need for oil and gas is projected to increase, thereby making the sector quite conducive for investment. India retained its spot as the third-largest consumer of oil in the world as of 2022.



The Government has adopted several policies to fulfill the increasing demand. It has allowed 100% foreign direct investment (FDI) in many segments of the sector, including natural gas, petroleum products and refineries, among others. The FDI limit for public sector refining projects has been raised to 49% without any disinvestment or dilution of domestic equity in existing PSUs. Today, it attracts both domestic and foreign investment, as attested by the presence of companies such as Reliance Industries Ltd (RIL) and Cairn India. The industry is expected to attract US\$ 25 billion investment in exploration and production by 2022. India is already a refining hub with 23 refineries, and expansion is planned for tapping foreign investment in export-oriented infrastructure, including product pipelines and export terminals.

India’s crude oil production in FY23 stood at 29.2 MMT (33.66 BCM).

(Source: Oil and Gas Industry in India by IBEF, October 2023)

### Market Size

- Domestic Natural Gas Production- The domestic Gross Production of natural gas for the from April-September 2023 period has shown an increase of ~4% when compared from April-September 2022 i.e., an increase of ~695 MMSCM from 17184 MMSCM in April-September 2022 to 17879 MMSCM in April-September 2023.
- LNG Import to India : The LNG Imports in volume terms increased by ~12.7% i.e. from 13680 MMSCM in the period April-September 2022 to 15416 MMSCM in the period April-September 2023. However, the LNG Imports in US \$ terms has shown a decrease of ~ 31.2% i.e. from US \$ 9.43 Billion in the period April-September 2022 to US \$ 6.49 Billion in the period April-September 2023. (\*Data may vary from DGCIS data)
- LNG Terminal Capacity Utilisation : With the commencement of operations of Dhamra LNG terminal, the total LNG capacity in the country has increased to 47.7 MMTA (Konkan LNG Terminal only HP stream of 2.9 MMTA is commissioned). The utilization of LNG terminal capacity of 47.7 MMTA in the period April-September 2023 ranged from ~12.5% (Mundra LNG Terminal) Million to ~94.31% (Dahej LNG terminal).

- From Natural Gas availability perspective: Total Consumption (including for internal use i.e Net Production+ LNG import) showed an increase of ~ 8.1% to 32920 MMSCM (April-September 2023) from 30451 MMSCM (April-September 2022).
- Sectoral Consumption of Natural Gas: Major Sectors for NG consumption during April-September 2023 were Fertilizer (31 %), CGD (20%), Power (15%), Refinery (8%) and Petrochem (4 %)
- Natural Gas Pipeline infrastructure- is an economical and safe mode of transporting natural gas by connecting gas sources to gas consuming markets. Gas pipeline grid determines the structure of the gas market and its development. Therefore, an interconnected National Gas Grid has been envisaged to ensure the adequate availability and equitable distribution of natural gas in all parts of the country. At present (upto June 2023), the Natural Gas pipeline network in the country is about 35,515 Kms (P) km long including Tie-in connectivity, dedicated & Sub Transmission Pipelines (STPL). In order to make available natural gas across the country, it has been envisaged to develop the National Gas Grid and the same are at various stages of development. This would ensure easy availability of natural gas across all regions and potentially help to achieve uniform economic and social progress.
- In terms of Gas Distribution infrastructure, in CNG there are 6035 CNG stations in 283 GAs/CNG area being operated by about 57 CGD entities and in PNG there are 11876511 PNG connections (DPNG- 11819955 Nos., Commercial- 39123 Nos, Industrial- 17433) in 216 GAs being operated by about 50 CGD entities.

*(Source: India's Oil & Gas Ready Reckoner {April2023-September, 2023} by Petroleum Planning and Analysis Cell, Ministry of Petroleum and Natural Gas)*

### **Investments/Recent Developments**

According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), FDI inflows in India's petroleum and natural gas sector stood at US\$ 8.15 billion between April 2000-March 2023.

Following are some of the major investments and developments in the oil and gas sector:

- India has about 10,938 kms of crude pipeline network, with a capacity of 153.1 MMTPA.
- In FY24 (until July 2023), the crude oil production in India stood at 18.08 MMT.
- India's oil and gas production is expected to achieve a mid-decade peak between 2023-2032, around 2027, driven by the KG-Basin projects operated by Reliance Industries Limited and Oil and Natural Gas Corporation (ONGC).
- With 11,861 kms of refined products pipeline in India, the Indian Oil Corporation Limited (IOCL) leads the segment with 52.40%, as of August 1, 2023.
- The total number of OMC retail outlets increased to 87,458, as of August 1, 2023, from 59,595 in FY17.
- In India, as of August 1, 2023, IOCL owned the highest number of retail outlets (36,527), followed by HPCL (21,290), and BPCL (21,209).
- As of August 1, 2023, there were 25,406 LPG distributors (under PSUs) in India.
- During April-July 2023, the production of coal bed methane (CBM) stood at 216.18 MMSCM.
- India's crude oil production in FY23 stood at 29.2 MMT.
- The total number of OMC retail outlets increased to 86,925, as of May 1, 2023, from 59,595 in FY17.
- As of May 1, 2023, India had 10,420 kms of crude pipeline network, with a capacity of 147.9 MMTPA.
- As announced in May, 2023, Jio-bp, the retail fuel joint venture of Reliance and bp will sell diesel mixed with detergents and dispersants at Rs. 1 cheaper per litre than gasoil sold by the state-run companies, such as IOCL, BPCL, and HPCL.
- In FY23, the oil sector's total installed provisional refinery capacity stood at 255.2 MMT, and IOC emerged as the largest domestic refiner with a capacity of 72.4 MMT.
- As of December 31, 2022, Gas Authority of India Ltd. (GAIL) had the largest share (58.72% or 19,455 kms) of the country's natural gas pipeline network (33,131 kms).

- Tata Mining Limited signed an MoU with Gas Authority of India Limited (GAIL), in order to reduce carbon footprint in its operations, and for the supply of natural gas to its Ferro Alloys Plant at Athgarh in Odisha's Cuttack district. GAIL will supply the agreed quantity of natural gas through its pipeline from Gujarat to Athgarh.
- The Petroleum and Natural Gas Regulatory Board (PNGRB), the downstream regulator, in March, 2023, announced that it has amended the PNGRB Determination of Natural Gas Pipeline Tariff regulations to incorporate provisions for Unified Tariff for natural gas pipelines with a mission of "One Nation, One Grid, and One Tariff." Based on the regulations, PNGRB has notified a levelized Unified Tariff of Rs. 73.93/MMBTU and created three tariff zones for Unified Tariff, where the first zone is up to a distance of 300 kms from the gas source, the second zone is 300-1,200 kms, and the third zone is beyond 1,200 kms.
- In February 2023, Oil India Limited commenced the project for India's first exploratory oil well in Mahanadi Onshore Basin in Odisha under OALP.
- In May 2022, ONGC announced plans to invest US\$ 4 billion from FY22-25 to increase its exploration efforts in India.
- In April 2022, Indian Oil Corporation Limited, Larsen & Toubro and Goldman Sachs-backed renewable energy producer ReNew Power formed a joint venture by signing a term sheet. This JV will develop green hydrogen projects, helping India cut down its carbon emissions.
- Exports of petroleum products from India reached 61 MMT in FY23.
- The value of exports of crude oil and petroleum products stood at US\$ 44.41 billion. In FY22, crude oil imports stood at 4.24 MBPD, which was worth US\$ 120.4 billion.
- In March 2022, the Board of IOCL approved plans to invest Rs. 7,282 crore (US\$ 932.6 million) for the development of City Gas Distribution (CGD) network in 9 geographical areas (GAs).
- In March 2022, the Board of Oil India approved an investment of Rs. 6,555 crore (US\$ 839.49 million) for Numaligarh petrochemical project.
- In January 2022, Indian Oil Corp. Ltd. (IOCL) announced plans to expand its city gas distribution (CGD) business, looking to invest Rs. 7,000 crore (US\$ 918.6 million).
- In January 2022, Adani Total Gas Ltd (ATGL), a joint venture between the Adani Group and Total Energies, won licences to expand its City Gas Distribution (CGD) network to 14 new geographical areas, with an investment of Rs. 20,000 crore (US\$ 2.62 billion).
- In November 2021, Oil and Natural Gas Corp. Ltd (ONGC) announced that it invested up to Rs. 6,000 crore (US\$ 800 million) in its petrochemicals arm (ONGC Petro Additions Ltd.) to meet its equity requirements.
- In November 2021, Indian Oil, Bharat Petroleum Corporation Limited and Hindustan Petroleum Corporation Limited announced the launch of the Model Retail Outlet Scheme and a Digital Customer Feedback Programme called Darpan@petrolpump. These three oil PSUs have joined hands to launch model retail outlets to enhance service standards and amenities across their networks, which serve over six crore consumers every day.
- Government Initiatives
- Some of the major initiatives taken by the Government of India to promote the oil and gas sector are:
- On May 21, 2022, the Government announced a reduction in excise duty of Rs. 8 (US\$ 0.10) per litre on petrol and Rs. 6 (US\$ 0.077) per litre on diesel.
- In May 2022, the government approved changes in the Biofuel Policy to bring forward the target for 20% ethanol blending with petroleum to 2025-26 from 2030.
- In the Union Budget 2022-23, the customs duty on certain critical chemicals such as methanol, acetic acid and heavy feed stocks for petroleum refining were reduced.
- In February 2022, Minister of Petroleum & Natural Gas, and Housing & Urban Affairs, Mr. Hardeep Singh Puri, said that India will more than double its exploration area of oil and gas to 0.5 million sq. km. by 2025 and to 1 million sq. km. by 2030 with a view to increase domestic output.
- In 2022, the Ministry of Petroleum and Natural Gas launched the ninth bid round under the OALP. Under this round, investors have been offered around 223,031.4 square kilometres.



- In November 2021, India announced that it will release 5 million barrels of crude oil from its strategic petroleum reserves in a concerted effort to bring down global crude oil prices. This is roughly equivalent to a day's consumption in the country.
- In November 2021, the government set up a committee to work out measures needed to make natural gas available to power plants at reasonably stable prices.
- In October 2021, the Union Ministry of Petroleum & Natural Gas approved a revised project cost of US\$ 3.8 billion (Rs. 28,026 crore) to increase refining capacity for the ongoing Numaligarh Refinery Expansion Project from 3 to 9 MMTPA.
- In September 2021, the Indian government approved oil and gas projects worth Rs. 1 lakh crore (US\$ 13.46 billion) in Northeast India. These projects are expected to be completed by 2025.
- In September 2021, India and the US agreed to expand their energy collaboration by focusing on emerging fuels. This was followed by a ministerial conference of the US-India Strategic Clean Energy Partnership (SCEP).
- In July 2021, the Department for Promotion of Industry and Internal Trade (DPIIT) approved an order allowing 100% foreign direct investments (FDIs) under automatic route for oil and gas PSUs.
- The Government is planning to set up around 5,000 compressed biogas (CBG) plants by 2023.

### **Road Ahead**

Rapid economic growth is leading to greater outputs, which in turn is increasing the demand of oil for production and transportation. Crude oil consumption is expected to grow at a CAGR of 5.14% to 500 million tonnes by FY40 from 202.7 million tonnes in FY22. In terms of barrels, India's oil consumption is forecast to rise from 4.05 MBPD in FY22 to 7.2 MBPD in 2030 and 9.2 MBPD in 2050. Diesel demand in India is expected to double to 163 MT by 2029-30, with diesel and petrol covering 58% of India's oil demand by 2045. Demand is not likely to simmer down anytime soon, given strong economic growth and rising urbanisation.

Indian refiners would add 56 million tonnes per annum (MTPA) by 2028 to increase domestic capacity to 310 MTPA.

India is planning to double its oil refining capacity to 450-500 million tonnes by 2030.

Energy demand of India is anticipated to grow faster than energy demand of all major economies globally on the back of continuous robust economic growth. Moreover, the country's share in global primary energy consumption is projected to increase to two-fold by 2035.

*(Source: Oil and Gas Industry in India by IBEF, October 2023)*

### **Natural Gas Industry**

As per recent GOI declarations, in India the share of natural gas in energy basket is 6.7%. The Government has set a target to raise the share of natural gas in energy mix to 15% in 2030. Various steps have been taken by the Government in this direction. These, inter-alia, include expansion of National Gas Grid (24,623 kms operational and 10,860 km under construction), expansion of City Gas Distribution (CGD) network (300 Geographical Areas (GAs) with Minimum Work Plan of approx. 12.50 crore PNG connections, 17,751 CNG Stations and 5.42 lakh inch-km pipeline by 2023) and setting up of Liquefied Natural Gas (LNG) Terminals (current 47.7 MMTPA capacity to 66.7 MMTPA), etc. As regards increase in production of Natural Gas, there has been approx 20% increase in natural gas production from 28.7 billion cubic meters (BCM) in 2020-21 to 34.45 BCM in 2022-23. For increasing domestic gas production, Government has notified Hydrocarbon Exploration and Licensing Policy (HELP) on 30th March 2016. Government further notified policy reforms on 28th February 2019 with concessional royalty/royalty holiday provisions, relaxed approvals, reduced revenue share from Category II & III type of basins for early monetization of fields along with Marketing and Pricing freedom for natural gas.

(Source: Ministry of Petroleum & Natural Gas - <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1987803> )

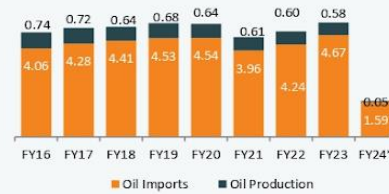


# GAS

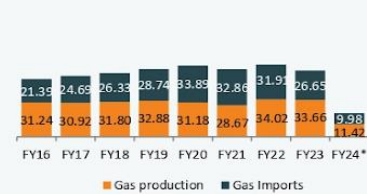


## MARKET SIZE

Import and Domestic Oil Production in India (MBPD)



Domestic Gas Production (BCM)

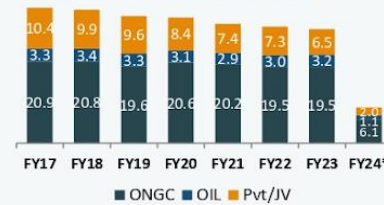


Note: Note: MBPD – Million Barrels Per Day, BCM – Billion Cubic Metres, \*Until July 2023



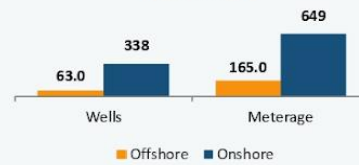
## SECTOR COMPOSITION

Crude Oil Production (in MMT)



Note: MMT – Million Metric Tonnes

Development Drilling Activities (FY19 Provisional)



Note: Meterage in '000 metres

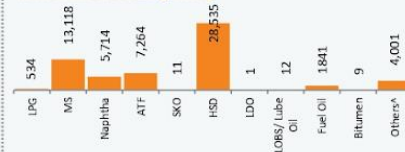


## KEY TRENDS

Export of Petroleum Products from India (MMT)



Product-wise Export of Petroleum Products from India in FY23 (MMT)



Note: MMT – Million Metric Tonnes, HSD – High speed Diesel, MS – Motor Spirit, ATF – Aviation Turbine Fuel, LPG – Liquefied Petroleum Gas, LDO – Light Diesel Oil, SKO – Superior Kerosene Oil, LOBS – Lubricating Oil Base Stocks, \*Others includes Petcoke/CBFS, Hexane, Benzene, MTO (Mineral Turpentine Oil), Sulphur, etc., \*Until July 2023



## GOVERNMENT INITIATIVES



**100% FDI in Exploration and Production projects**

Note: NELP – New Exploration Licensing Policy, CBM – Coal Bed Methane



**Policies: NELP and CBM**



**Freight Subsidy Scheme**



## ADVANTAGE INDIA

- Growing demand:** Oil demand in India is projected to register a 2x growth to reach 11 million barrels per day by 2045. Diesel demand in India is expected to double to 163 MT by 2029-30, with diesel and gasoline covering 58% of India's oil demand by 2045.
- Rapid expansion:** In October 2021, the Ministry of Petroleum & Natural Gas approved a revised project cost of Rs. 28,026 crore (US\$ 3.8 billion) to increase refining capacity for the ongoing Numaligarh Refinery Expansion Project from 3 MMTPA to 9 MMTPA.
- Policy support:** In the Union Budget 2022-23, the customs duty on certain critical chemicals such as methanol, acetic acid and heavy feed stocks for petroleum refining were reduced.
- Supportive FDI Guidelines:** In July 2021, the Department for Promotion of Industry and Internal Trade (DPIIT) approved an order allowing 100% foreign direct investments (FDIs) under automatic route for oil and gas PSUs.

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## BUSINESS OVERVIEW

**The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “Risk Factors” on Page no. 28 of this Red Herring Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Positron”, “PEL” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Red Heering Prospectus.**

Our Company was originally registered in the name of “Positron Energy Private Limited” and received a certificate of incorporation dated February 15, 2008 from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli under The Companies Act, 1956. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 23, 2023 and the name of our Company was changed to “Positron Energy Limited”. A fresh Certificate of Incorporation consequent upon conversion from Private Limited Company to Public Limited Company dated January 02, 2024 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U01403GJ2008PLC052932.

Our Company for the initially 11 years were mere engaged in the Management & Technical Advisory Services of Oil and Gas Industry. Later on, in the FY 2018-19, our promoters planned to commence the aggregation business of Coal Bed Methan Gas (CBM) for supplying to industrial unit. After having successful business of CBM Gas aggregation also, as per the demand of industrial units, our Company in July 2022 decided to aggressively commence the business of Natural Gas aggregation for such industrial unit.

Our Company was started by our Promoters Mr. Rajiv Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan. Our Promoters have combined experience of more than 45 years in the Gas and Oil Industry. Our Promoters have been pillars of our Company’s growth and have built a strong value and eco - system. With their enriching experience and progressive thinking, we aim to continue to grow in the Oil & Gas industry.

We are engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas. Our technical qualifications and empanelment with most industrial customers attest to our reliability and competence. Moreover, distribution of Natural gas is facilitated through common carrier pipeline networks operated by major public and private sector players in the Indian market.

Our Company is an ISO 9001:2015 and ISO 45001:2018 certified company. The quality certification is towards providing consultancy services, O&M services to the Oil & Gas sector. We have in-house capabilities to deliver a project from conceptualization to completion with fast turnaround time from acquisition to launch to completion, which focuses on de-risking and improving return on investment. Our core competence lies in professional management and attracting and retaining talent to maximize value creation. Since incorporation, we have provided services to major companies which are engaged in the Oil & Gas Sector, including both PSUs and private companies. Our Company has demonstrated a prominent presence in the Oil and Gas Sector and has developed significant expertise and competencies in this field. Our Company aims to leverage its strength and continue expansion into the Oil and Gas sector lead our company to desired growth trajectory.

In addition to our operational endeavours, our business is secured with the Indian Gas Exchange (IGX) through its clearing member. This client membership enables us to source natural gas on-demand for our short-term requirements from the free market, where prices are determined through a transparent exchange mechanism. Moreover, it also provides flexibility to offload excess Gas if necessary. As at March 31, 2024, our portfolio includes a substantial daily volume of 4000-5000 MMBTU of gas from various sources. We engage in long-term contracts linked with formulas, determined through mutual discussions with our customers.

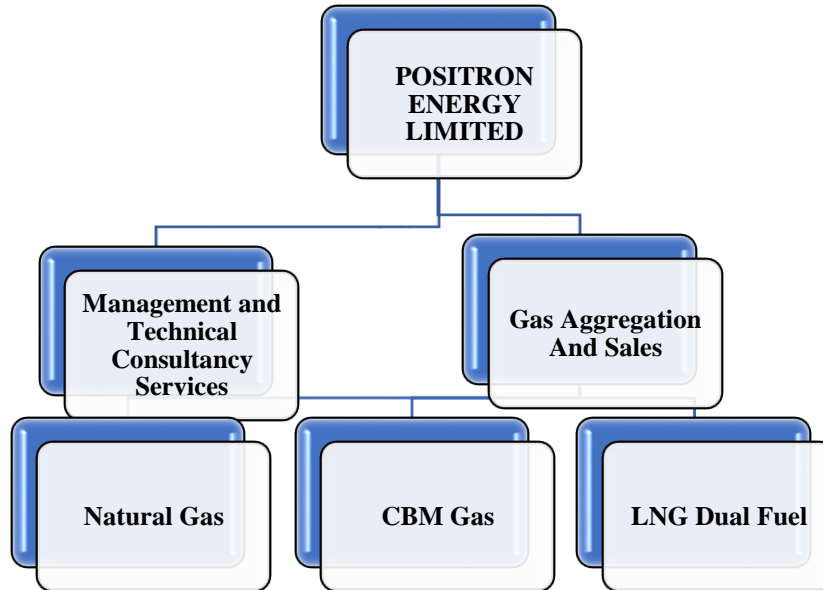
Our services are consistent round the year. We are a quality conscious company. We are constantly striving to expand our service portfolio and we always look forward to complementing projects of our clients

Our Company has entered into collaboration agreement with ICOM North America LLC (New Hudson, MI) for installation of ICOM Dual Fuel LNG conversion systems in on-road trucks weighing over 3.5 tons in India. The new system will result in reduction in emissions with the utilization of LNG contributing to environmental sustainability. The dual-fuel system allows for cost-effective operation with the flexibility of fuel ratios. The product has undergone thorough testing under Indian

operating conditions, ensuring optimal performance and reliability. We are currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI).

## OUR BUSINESS MODEL

We derive our revenue from 2 major business verticals:



Our Business can be classified under the following heads.

### 1. MANAGEMENT AND TECHNICAL CONSULTANCY SERVICES

Leveraging our profound understanding of the Oil and Gas industry, we extend our expertise to offer Management and Technical Consultancy services to major players in the Indian Oil and Gas sector. Our consultancy services cover a spectrum of issues, including Demand Assessment Studies, SWOT & Gap Analytical Studies, Technical Due Diligence, Project Tendering, Commercial Feasibility Studies, and comprehensive market and opportunity assessments. We take pride in delivering customized and innovative solutions to address specific challenges faced by our valued customers.

Under this vertical, we primarily provide 2 major services:

#### **Management Consultancy.**

Our Company is providing Management Consulting to Oil & Gas Sector comprising of Regulatory Studies/Advisory & Liaisoning. Technical Feasibility Studies & Report, Commercial Feasibility Studies & Report, a comprehensive market and opportunity assessment, Compressed Bio Gas Project Advisory and Consultancy etc.

#### **Technical Services**

Our Company is a single window solution provider to host of requirements in CGD and Oil and Gas Sector. We provide Project Management Consultation (PMC), Operations and Maintenance of CGD (City Gas Distribution) Network, Operations and Maintenance of CNG and Small-scale LNG, Execution Projects for CGD Infrastructure etc.

### 2. GAS AGGREGATION AND SALES

Under this vertical, we primarily have the following 3 services:

#### **Natural Gas Aggregation and Sales**

Our core business revolves around the strategic sourcing and marketing of both natural gas and Regasified Liquefied Natural Gas (R-LNG). Recognizing the environmental advantages of gas over traditional fuels, we emphasize its cleanliness, lower Green House Gas emissions, and reduced environmental impact. We offer competitive gas prices, with the ability to structure pricing and tax models tailored to meet the unique needs of our diverse customer base. Our company serves as a

comprehensive single-window solution provider for various requirements in the City Gas Distribution (CGD) and Oil & Gas sector. With a focus on industrial units across India, we aggregate gas from multiple sources, ensuring competitiveness in the market.

We possess expertise in managing the entire value chain, adhering to regulations set by the Petroleum and Natural Gas Regulatory Board (PNGRB). Our commitment is to provide complete and flexible solutions to customers, addressing their specific needs efficiently and competitively.

Our current portfolio includes a substantial daily volume of 4000-5000 MMBTU of gas from various sources. We engage in long-term contracts linked with formulas, determined through mutual discussions with our customers.

#### **Gas on Wheel Solution:**

Our 'Gas on Wheel' solution stands as a pioneering initiative in providing innovative and efficient solutions for the monetization of stranded gas from isolated fields. This unique approach caters to industries, commercial clusters, and geographically remote areas where pipeline connectivity is a challenge. Our expertise extends to the design and execution of comprehensive Gas off-take facilities, Compression & Filling facilities, and obtaining necessary approvals, including those from the Petroleum and Explosives Safety Organization (PESO) for both Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) distribution.

#### **LNG Distribution Solution for Industries and Commercial Clusters:**

Our company specializes in providing LNG Distribution Solutions tailored for industries, commercial clusters, and areas not connected to pipelines. This comprehensive service encompasses the marketing and delivery of Liquefied Natural Gas (LNG) from terminals to targeted sites. From project initiation to execution and ongoing operations, we manage the entire process, including equipment selection and configuration for required capacities, project management, LNG logistics, and on-site operations. Our commitment revolves around delivering critical milestones, ensuring timely project execution, continuous LNG supply, and uninterrupted operations for various applications.

This strategic segmentation not only enables us to offer a holistic suite of services but also positions us as a versatile and responsive entity within the Oil and Gas sector. By excelling in each of these two distinct business segments, we continue to redefine industry standards, fostering growth, and embracing innovation. Our commitment to excellence remains unwavering, propelling us forward as pioneers in the evolving landscape of Oil, Natural Gas, and Energy. In summary, our Gas Sales and Distribution business is characterized by a commitment to environmental sustainability, competitive offerings, adherence to regulations, and a strategic focus on market growth and customer satisfaction. Through a combination of innovative solutions and industry best practices, we aim to remain a key player in the evolving gas industry landscape.

#### **New Product Development: ICOM Dual Fuel LNG Conversion Systems**

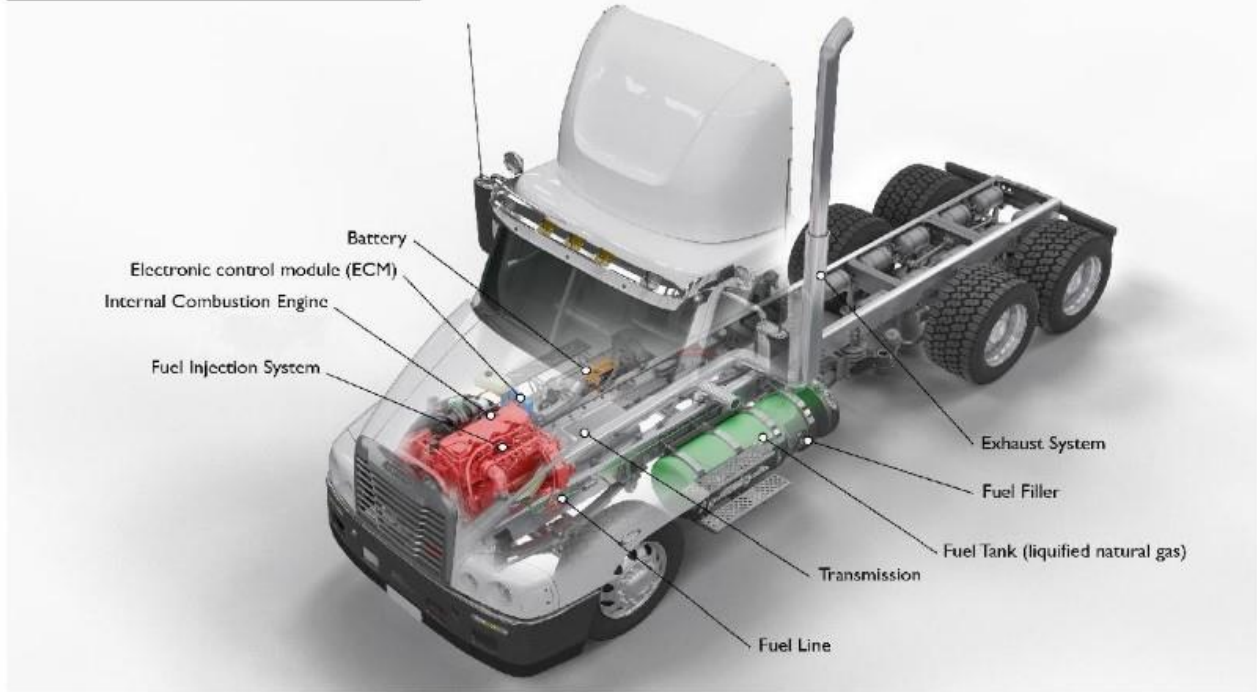
Our Company has entered into collaboration agreement with ICOM North America LLC (New Hudson, MI) for installation of ICOM Dual Fuel LNG conversion systems in on-road trucks weighing over 3.5 tons in India. The new system will result in reduction in emissions with the utilization of LNG contributing to environmental sustainability. The dual-fuel system allows for cost-effective operation with the flexibility of fuel ratios. The product has undergone thorough testing under Indian operating conditions, ensuring optimal performance and reliability. We are currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI).

The Dual Fuel System preserves the integrity of the engine, requiring no modifications during the conversion process. Diesel Engines can efficiently operate on a mixture of LNG and Diesel, with a variable ratio of up to 60:40. The DDF control unit dynamically determines the diesel fuel injection amount and adjusts the air/gas mixture dosage in real-time. This ensures perfect operational conditions based on engine feedback. A significant Unique Selling Proposition (USP) is the system's automatic adjustment of diesel injection without requiring driver intervention.

We have successfully introduced the ICOM Dual Fuel LNG Conversion Systems to the Indian market. The product has undergone thorough testing under Indian operating conditions, ensuring optimal performance and reliability. We are currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI). Upon receiving the necessary approvals, we plan to launch the ICOM Dual Fuel LNG Conversion Systems for commercial use in India.

The new system will result in reduction in emissions with the utilization of LNG contributing to environmental sustainability. The dual-fuel system allows for cost-effective operation with the flexibility of fuel ratios. The automatic adjustment of diesel injection without driver intervention enhances ease of use and overall efficiency.

### Liquefied Natural Gas Truck



## FINANCIAL KPI OF THE COMPANY

A Summary of our financial performance during the last three Fiscals, is as follows:

(₹ in lakh)

Particulars	For the Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations (₹ in Lakhs)	13473.25	5142.64	869.04
Growth in Revenue from Operations (YoY %)	161.99%	491.76%	-
Gross Profit (₹ in Lakhs)	2013.56	850.61	458.48
Gross Profit Margin (%)	14.94%	16.54%	52.76%
EBITDA (₹ in Lakhs)	1204.27	299.74	88.97
EBITDA Margin (%)	8.94%	5.83%	10.24%
Profit After Tax (₹ in Lakhs)	878.78	212.80	57.98
PAT Margin (%)	6.52%	4.14%	6.67%
RoE (%)	85.48%	46.19%	16.97%
RoCE (%)	61.55%	26.37%	11.33%
Net Fixed Asset Turnover (In Times)	67.79	24.43	4.74
Operating Cash Flows (₹ in Lakhs)	635.19	99.09	(69.17)

## REVENUE BIFURCATION

### Category Wise Revenue Bifurcation:

The details of revenue from different segments for last three financial years are as follows:

(₹ in lakh)

Segment	Type of Goods/Services	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Sale of Goods	CBM Gas Distribution	326.07	713.03	427.70
	Natural Gas	11,374.57	3,869.17	-
	LNG + Diesel Dual Fuel	-	42.37*	-
Services	Management & Technical Consultancy	1,772.61	515.81	369.33
	Erection and Commissioning income	-	-	72.00
	Other Services	-	2.26	-
<b>Total</b>		<b>13,473.25</b>	<b>5,142.64</b>	<b>869.04</b>

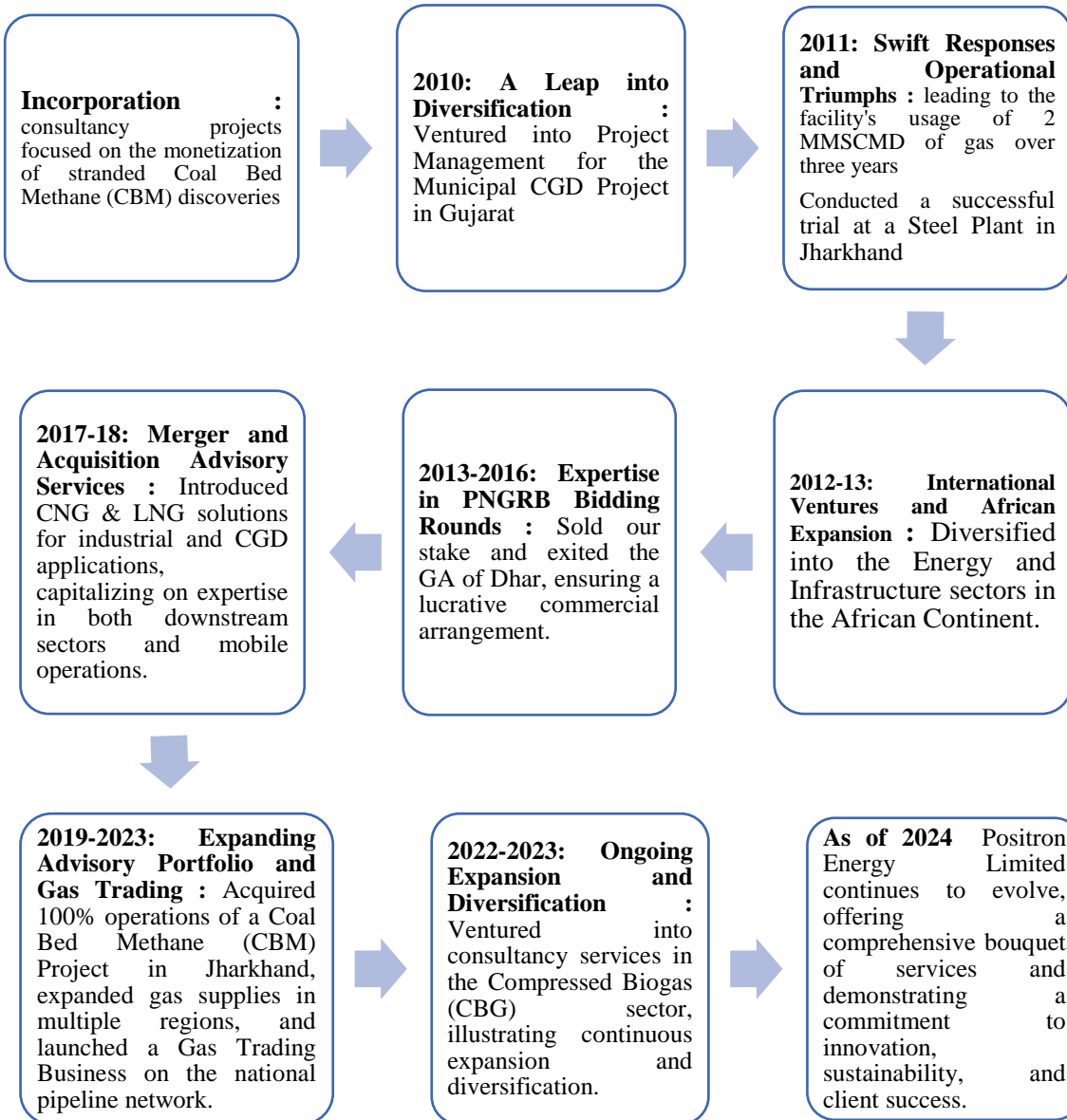
\*Retrofitment kit Trials.

**State Wise Revenue Bifurcation:**

(₹ in lakh)

Particulars	For the year ended		
	31-Mar-24	31-Mar-23	31-Mar-22
<b>Domestic Sales</b>			
Andhra Pradesh	1,450.36	0.00	0.00
Assam	125.43	0.00	0.00
Bihar	3.15	57.23	69.03
Chattisgarh	0.00	3.35	0.00
Delhi	0.00	22.99	0.00
Daman	119.99	0.00	0.00
Gujarat	6,892.71	2,917.44	234.48
Haryana	307.86	4.81	0.00
Himachal Pradesh	97.89	0.00	0.00
Jharkhand	596.11	713.03	427.70
Karnataka	1,830.84	8.50	0.00
Kerala	144.14	13.55	0.00
Ladakh	4.05	0.00	0.00
Madhya Pradesh	6.02	64.79	10.96
Maharashtra	243.96	417.27	21.84
Odisha	0.00	8.50	0.00
Punjab	151.39	467.45	30.34
Rajasthan	7.12	4.59	15.72
Tamil Nadu	74.44	43.71	0.00
Telangana	64.34	19.00	0.00
Uttar Pradesh	409.21	376.43	58.96
Uttarakhand	693.08		
West Bengal	129.19	0.00	0.00
<b>Export</b>			
Saudi Arabia	92.00	0.00	0.00
Rwanda	29.97	0.00	0.00
<b>Total</b>	<b>13,473.25</b>	<b>5,142.64</b>	<b>869.04</b>

## JOURNEY OF OUR COMPANY



## BUSINESS PROCESS

### 1. Management Consultancy and Technical Services Business

#### a. Consulting Business

Our Company is providing management consulting to Oil & Gas Sector comprising of following:

#### 1. Regulatory Studies/Advisory & Liaison.

Assistance / Advisory in getting an understanding of the existing regulations pertaining to CGD in India and filing compliances.

#### 2. Technical Feasibility Studies & Report.

We provide following services to our customers:



- Demand Assessment Studies of Geographical Areas, Clusters for present and future energy requirements,
- SWOT & Gap Analytical Studies.
- Technical Due Diligence Studies
- Project Tendering / Independent Tender Evaluation

### **3. Commercial Feasibility Studies & Report**

We conduct Pre-feasibility / Detailed Feasibility studies, preparing detailed Bankable feasibility reports for Regulatory / Banking submissions / Validating / Feasibility studies.

### **4. A comprehensive market and opportunity assessment**

Focusing on the City Gas Distribution (CGD) and Oil and Gas Sector, we have projects involving a range of in-depth SWOT analysis, informing clients on competition landscape, market size, growth potential and related opportunities for them to enter the industry.

### **5. Compressed Bio Gas Project Advisory and Consultancy**

We provide complete handholding to our clients for CBG projects which include the following:

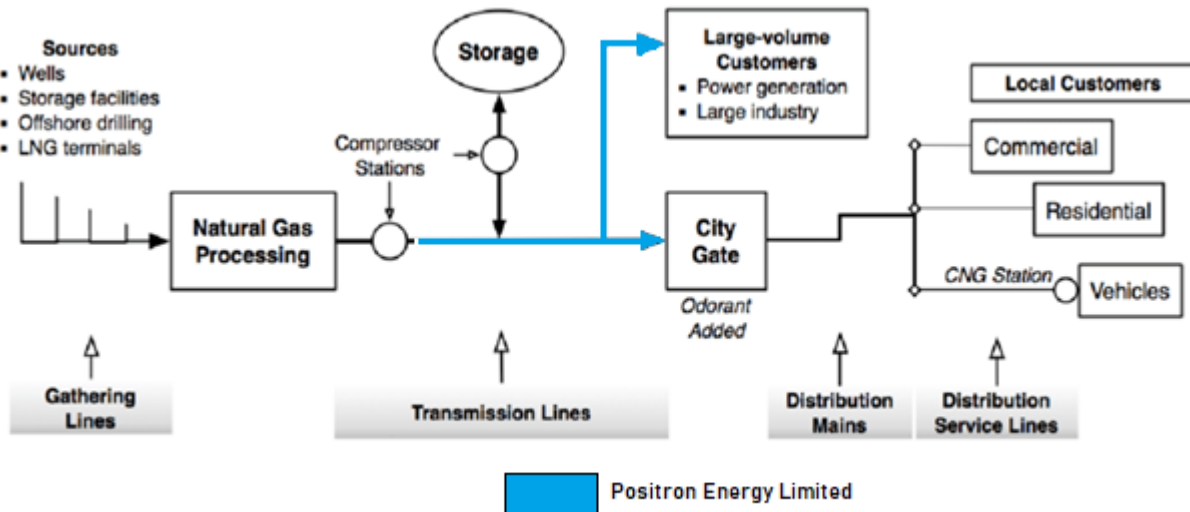
- Selection – We help in identification of right parameter and right technology
- Bridge – We support and advice in procuring feedstock sourcing, land, licenses, approvals etc.
- Optimization – We advise in optimizing the performance of the process including techno-commercial intricacies
- Execution – We execute end-to-end from planning to commissioning to offtake of the end products

#### **b. Technical Services**

Our Company is a single window solution provider to host requirements in CGD and Oil and Gas Sector. We provide:

1. Project Management Consultation (PMC)
2. PMC execution for Steel pipeline network, PE networking CNG station, specialized guidance and assistance for development of construction methodology, procedure, Network hydraulic studies and designing as per PNGRB guidelines.
3. Operation and Maintenance of CGD Network
4. Key essence of our service is SAFE operation of the CGD network. This includes mitigation of third-party damages, effective patrolling, liaisoning and timely completion of all services and complaints, adhering to the PNGRB T4S (Technical Standards and Specifications) guidelines.
5. Operation and Maintenance of CNG and Small-Scale LNG
6. Experience in operation and maintenance of electric and gas engine driven compressors to ensure uninterrupted operations and O&M service for LNG satellite stations/LNG Distribution systems & Truck Logistics.
7. Technical feasibility studies & report
8. We conduct detailed pipeline network hydraulic design solution studies, Pipeline capacity determination study report as per PNGRB, Technical due diligence studies, Project tendering/ Independent tender evaluation. Assistance for Third party T4S Audits and certification processes.
9. LNG Supply and Installation of Storage facility
10. With Strategic partnership in place we supply, install and commission the LNG and LCNG stations to various clients with PESO License and logistic support.
11. Execution Projects for CGD Infrastructure
12. Utilizing our expertise in Project Management and providing specialized construction methodology along with an expert team of skilled professionals we execute projects in CGD, Steel Pipeline Laying, Last mile connectivity, MOPE, CNG and Domestic Connections.

## 2. Natural Gas Aggregation and Sales



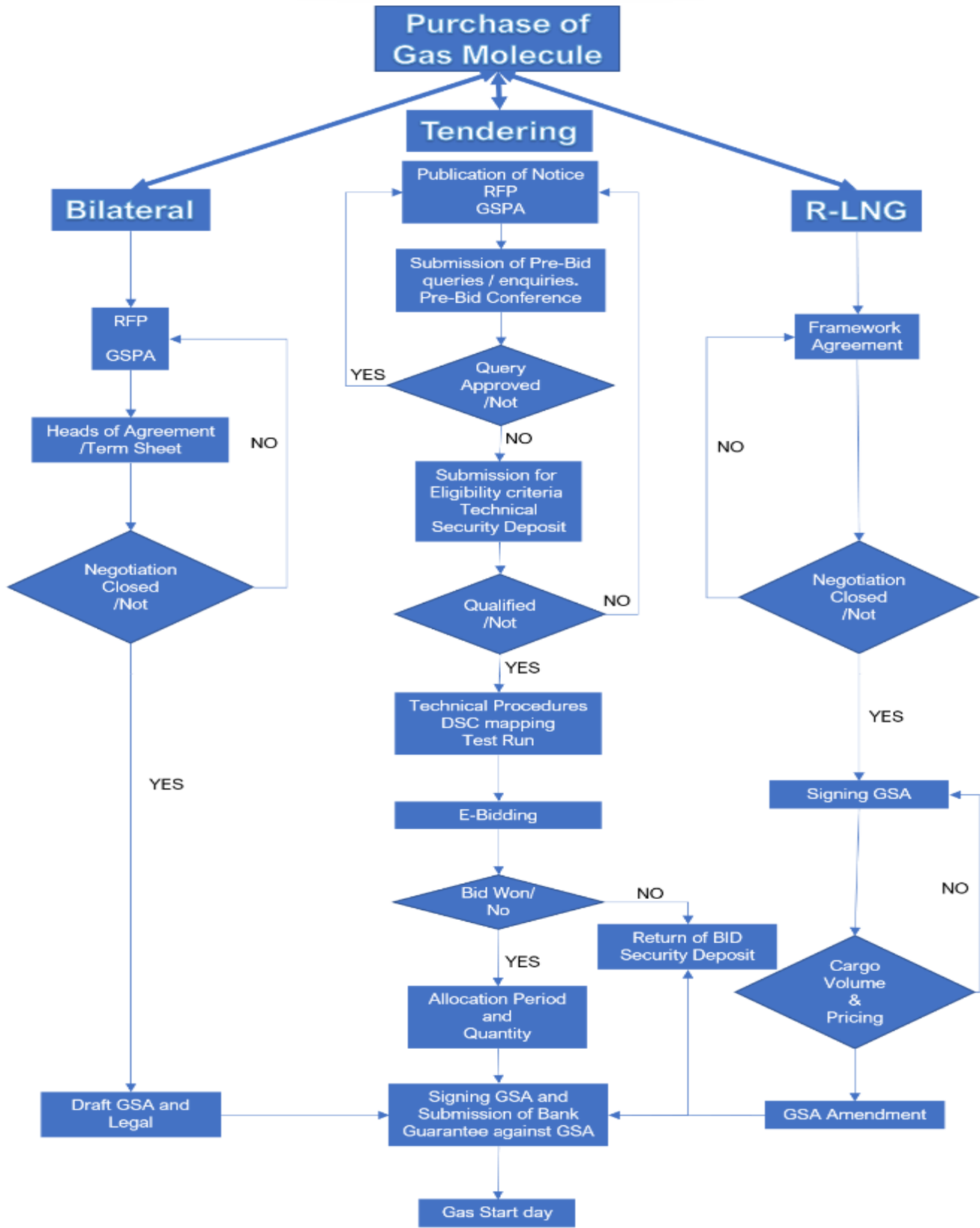
Company is dealing with all major Government PSU entities operating in the Oil and Gas Sector across all its business Segments. Most of these entities are governed by the Central/State Government Procurement Policies which have a pre-requisite qualification criterion for participation. Company qualifies under all such technical qualification criteria across both Management Consulting & Technical Services business based on its experience. Company has also been availing the benefits under the MSME segment as per the Public Procurement Policy for all its Consulting and Technical Services Business

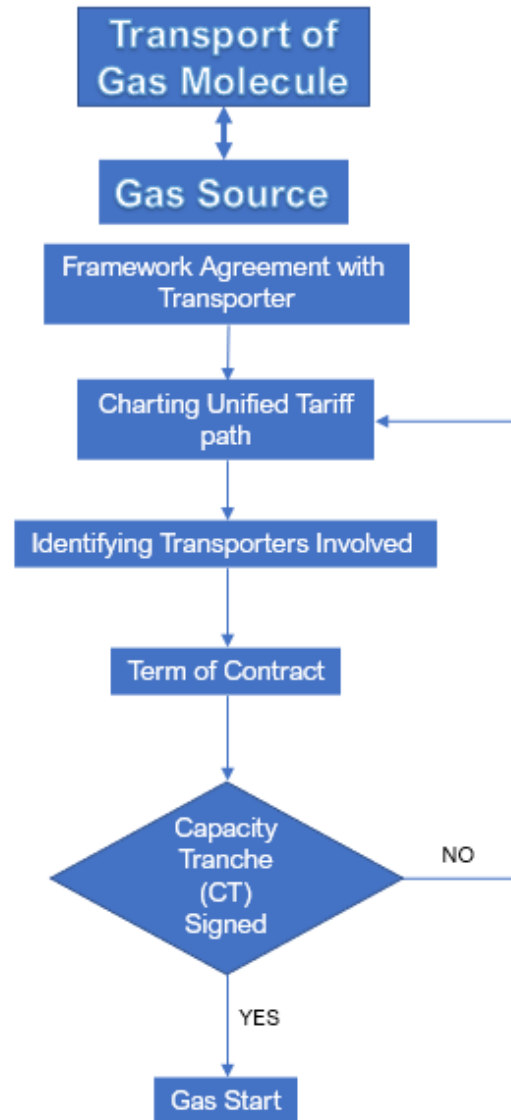
Actively participating in the tendering process allows us to secure molecules at competitive rates. We enter into Gas Sale and Purchase Agreements (GSPA) through both tendering processes and bilateral agreements with major private Oil and Gas companies.

To mitigate market risks, our company employs formula-linked pricing, aligning with the price of the Crude Index, adjusted monthly.

Following the signing of gas purchase agreements, we enter into Gas Transportation Agreements (GTA) with pipeline network operators. This customization ensures we meet the specific requirements of our customers effectively.

The detailed flow chart of the process of procurement of Natural Gas and R-LNG is given hereunder:





**Process/Flow Chart: Gas on Wheel Solution:**

- i. Identification of Stranded Gas Sources:** Conducting surveys and detailed analyses to identify stranded gas sources in isolated fields. Evaluating the feasibility of extracting and monetizing gas from these locations.
- ii. Gas Monetization Solution Design:** Designing facilities for efficient off-take of gas from isolated fields. Compression & Filling Facility Design: Creating facilities for compressing and filling gas for transportation.
- iii. Regulatory Approvals:** Initiating the approval process from the Petroleum and Explosives Safety Organization (PESO) for compliance with safety and regulatory standards. Ensuring adherence to all safety and environmental regulations.
- iv. Gas Transportation:** Utilizing compression facilities to enhance the gas's transportability. Filling gas into specialized containers for transportation to end-users.
- v. Delivery to End-Users:** Supplying gas to industries, commercial clusters, and other areas facing geographical challenges. Offering customized solutions based on the specific requirements of end-users.
- vi. Ongoing Monitoring and Optimization:** Implementing systems for ongoing monitoring of gas extraction, transportation, and delivery processes. Identifying areas for optimization and efficiency improvement.

**Process Flow Chart: LNG Distribution Solution for Industries and Commercial Clusters:**

- i. Project Initiation and Planning:** Conducting thorough market analysis to identify potential areas and industries for LNG distribution. Performing feasibility studies to assess the viability and requirements of LNG distribution in specific regions. Developing comprehensive project plans, including timelines and resource allocation.
- ii. Equipment Selection and Configuration:** Assessing the required capacities for equipment such as storage tanks, transportation vehicles, and distribution systems. Selecting and configuring equipment and technologies for efficient LNG handling and distribution.
- iii. Project Management:** Planning the execution phase, outlining key milestones and deliverables. Coordinating resources, both human and material, for effective project implementation. Implementing quality assurance measures to ensure adherence to safety and industry standards.
- iv. LNG Logistics:** Developing a robust supply chain management system to ensure a continuous and reliable supply of LNG. Planning the logistics of LNG transportation by road, ensuring timely and secure deliveries.
- v. On-Site Operations:** Overseeing the installation and commissioning of LNG infrastructure at targeted sites. Managing day-to-day operations, including monitoring, maintenance, and troubleshooting. Implementing comprehensive emergency response plans for any unforeseen situations.
- vi. Critical Deliverables:** Ensuring that the project progresses according to the outlined timelines. Establishing a reliable supply chain to guarantee a consistent and uninterrupted flow of LNG. Managing on-site operations efficiently to prevent disruptions in various applications.

Our LNG Distribution Solution reflects our commitment to innovation and efficiency, making LNG accessible and reliable for industries and commercial clusters in areas without pipeline connectivity.

#### Process to procure such tenders

For the Gas Aggregation and Sales Business, Company deals with all major Domestic Gas Suppliers. The Domestic Gas bidding is conducted by the Government PSU entities as per the directives of the Director General of Hydrocarbons and the Policies laid down by the Ministry of Petroleum & Natural Gas on their respective websites (example - <https://gailtenders.in/Gailtenders/>, <https://eps.buyjunction.in/QEPS/security/getDGHSignInAction.do>, <https://eprocure.gov.in/>, <https://www.bharatpetroleum.in/tenders/>). As part of business strategy, it qualifies across all the criteria laid under the present directives for participation in such tenders.

### OUR COMPETITIVE STRENGTH

#### 1. Customized Solutions and Services:

- **Innovative Solutions:** Providing cutting-edge technology and innovative solutions tailored to meet the specific requirements of our customers.
- **Niche Market Presence:** Management and Technical expertise in the Oil and Gas sector give us a niche presence in the market, allowing for unique and out-of-the-box solutions.
- **Market Diversification:** Focused on diversifying the market by offering innovative solutions, competitive pricing, and superior customer service.

#### 2. Adaptability to Changing Gas Pricing Landscape:

- **Market Dynamics Recognition:** Recognizing the evolving landscape in the natural gas sector, especially with the changing pricing dynamics.
- **Diversification Strategy:** Actively diversifying our customer base and exploring new market segments in alignment with changing pricing structures.
- **Opportunity Exploration:** Seizing opportunities presented by the shift in subsidizing regimes and growing demand, contributing to industry advancement.

#### 3. Embracing Government Reforms:

- **Unified Tariff Implementation:** Embracing transformative reforms, particularly the Unified Tariff (UFT) implemented by PNGRB, unlocking potential and opportunities.

- **Forward-looking Approach:** Positioning the company as forward-looking, capitalizing on regulatory reforms for market expansion, affordability, sustainability, and partnership development.
  - **Contribution to Energy Transformation:** Commitment to contributing to India's energy transformation and sustainability objectives.
- 4. Diversified Portfolio for Future Growth:**
- **Competence in Management and Technical Advisory:** Established competence in providing Management and Technical Advisory Services to major PSU and Private Sector companies in the Oil and Gas sector.
  - **Sale and Distribution of Gas:** Diversification into Gas Sale and Distribution to industrial units across the country.
  - **New Product Development:** Venturing into new product development in collaboration with international partners, providing a stable platform for future growth.
  - Further the Company has also entered in the field of new product development in collaboration with ICOM North America LLC (USA).
- 5. Experienced Leadership and Execution Team:**
- **Operational Knowledge:** Promoters with over 20 years of operational knowledge in the Oil and Gas service industry.
  - **Long-standing Relationships:** Strong relationships with clients and a track record of executing projects in the industry.
  - **Strategic Vision:** Leadership instrumental in driving growth and implementing business strategies.
  - **Experienced Board and Management Team:** Board of directors with varied experience for strategic guidance, supported by an experienced and reliable senior management team.
  - **Efficient Execution Team:** A strong and technically sound execution team with a focus on quality, expansion, and efficient project management.

Our competitive strengths reflect a commitment to innovation, adaptability, embracing reforms, portfolio diversification, and the expertise of our leadership and execution teams. These strengths position us for sustained growth and success in the dynamic Oil and Gas industry.

For details on the qualifications and experience of our Directors and Key Management Personnel, see “Our Management” beginning on page 157.

## OUR BUSINESS STRATEGIES

### **1. Continued focus on maintaining high quality standards in our Consulting Services for oil and gas companies and expanding this segment of our business.**

We have consistently delivered value by meeting or exceeding client expectations. This is crucial for growing our reputation. Other important aspects we have focused and shall keep focusing on are Networking, Financial Management, Sustainability Focus, Adaptability, Innovation and Strategic Planning. A key element of our growth strategy is to seek to improve the performance and competitiveness of our existing activities. We have strived to increase the scale and complexity of our projects in recent years and we intend to continue to focus on projects with higher contract values. We have devised strategies and approaches to establish connections with a broader audience of individuals and businesses, enabling us to access the finest opportunities and extend our reach. Our upcoming plans as consultants and executors in the city gas distribution sector are centred on fostering growth, sustainability, and innovation within the Indian natural gas market. By remaining at the forefront of industry developments and providing value-added solutions, we aim to contribute to the expansion and sustainability of City Gas Distribution networks in India.

### **2. Developing new applications to meet the market demand**

The expansion in the energy market is bringing large opportunities for us in several ways. At our Company, we take pride in our commitment to diversify and innovate in the use of natural gas. While natural gas has already proven its versatility in applications such as power generation, refining and heating, we are dedicated to introducing this clean energy source into newer sectors. Our recent success in injecting natural gas into the blast furnace of a major Steel plant (in the state of Jharkhand) and co-mingle it with Coke Oven Gas to enhance the calorific value of Coke Oven Gas and Blast Furnace Gas in

the pipeline for the Hot Strip Mill in leading PSU Steel Plant exemplifies our pioneering spirit. Same example can be used and a different segment can be created that gives a new direction for expansion. These initiatives have unlocked a world of opportunities, particularly in the Iron & Steel and Aluminium industries. Our vision is not just to supply natural gas but to transform industries and catalyze progress. We believe these efforts will play a pivotal role in increasing the overall consumption of natural gas in India, furthering our mission to reshape the country's energy landscape.

### **3. Expanding Market Access**

Expanding market access through the distribution of Compressed Natural Gas (CNG) and Piped Natural Gas (PNG) licenses are a significant development for the natural gas industry in India. We acknowledge the transformational impact of the Government of India's initiatives in the natural gas sector, particularly through the Petroleum and Natural Gas Regulatory Board (PNGRB), which has awarded City Gas Distribution (CGD) licenses to numerous entities. This strategic move ensures that natural gas is not only available but accessible to every consumer across India.

### **4. Overcoming Regulatory and Market Challenges Strategy**

We actively engage with industry associations, policymakers and regulatory bodies to advocate for reforms that reduce bureaucracy and enhance the ease of doing business in the natural gas sector. We believe that a more streamlined and business-friendly regulatory framework is essential for industry growth. While we acknowledge the presence of major players, we see opportunities to diversify the market by offering innovative solutions, competitive pricing and superior customer service. Our focus is not just on market share but on delivering value to our customers and communities. We invest in cutting-edge technology and innovative solutions to enhance our competitiveness and efficiency. By leveraging technology, we aim to offer a range of services that meet the evolving needs of our customers and clients. We actively seek partnerships with other players in the industry to create a more collaborative and dynamic ecosystem. Collaborations can lead to synergies, better development and a broader customer base. We engage in education and awareness initiatives to inform customers and industry stakeholders about the benefits of natural gas and the advantages of competition in the market.

### **5. Optimizing underutilized pipeline infrastructure strategy**

Our Company views increased competition in the natural gas sector as a catalyst for growth and innovation. History has shown that when competition was introduced, as seen in the R-9 and R-10 rounds for city gas distribution, it led to market expansion and the emergence of creative business models. Our strategy aligns with harnessing competition for the benefit of the industry and consumers is Customer-Centric Solutions, Efficiency and Cost Optimization, Market exploration, Innovative Business Models. This strategic approach unequivocally situated our Company as a proactive and dynamic participant in the natural gas sector, placing customer satisfaction and innovation at the forefront of our mission. We actively embrace competition as a driving force to propel the expansion of the market, foster groundbreaking innovations and ultimately enhance the overall consumption of natural gas. Our unwavering commitment to thriving in a competitive environment underscores our readiness to adapt and excel in a rapidly changing industry landscape.

### **6. Reform Driven Growth Strategy**

We wholeheartedly embrace the transformative reforms introduced by the Government of India, particularly the Unified Tariff (UFT) implemented by PNGRB. This reform has revolutionized the landscape of gas trading and transportation in the country, unlocking immense potential and opportunities for entities across the natural gas value chain. The UFT has ushered in a new era of affordability and competitiveness for natural gas, making it a preferred choice against alternate fuels. The implications of this reform are manifold as long distance transportation, Affordability, Market Growth, Environmental Benefit.

### **7. Adapting to the changing natural gas pricing landscape strategy**

We recognize the evolving landscape in the natural gas sector, with the planned end of the subsidizing regime for priority sectors. This change is in line with recommendations from the Kirit Parikh Committee and reflects a shift in pricing dynamics. Our strategy is aligned with this transformation is Pricing flexibility, customer education, cost efficiency, Innovation, Market Diversification. The unquenchable demand stemming from the industrial and commercial sectors, combined with the growing trend of major consumers directly sourcing natural gas, presents a promising opportunity for industry players. As we navigate this dynamic landscape, we recognize the potential for growth and success within the natural gas industry. Our approach is geared towards harnessing these opportunities, serving the unique needs of various consumer segments and contributing to the industry's overall advancement in a market-oriented framework.

### **8. Expanding the business in the industrial & commercial sector for natural gas.**

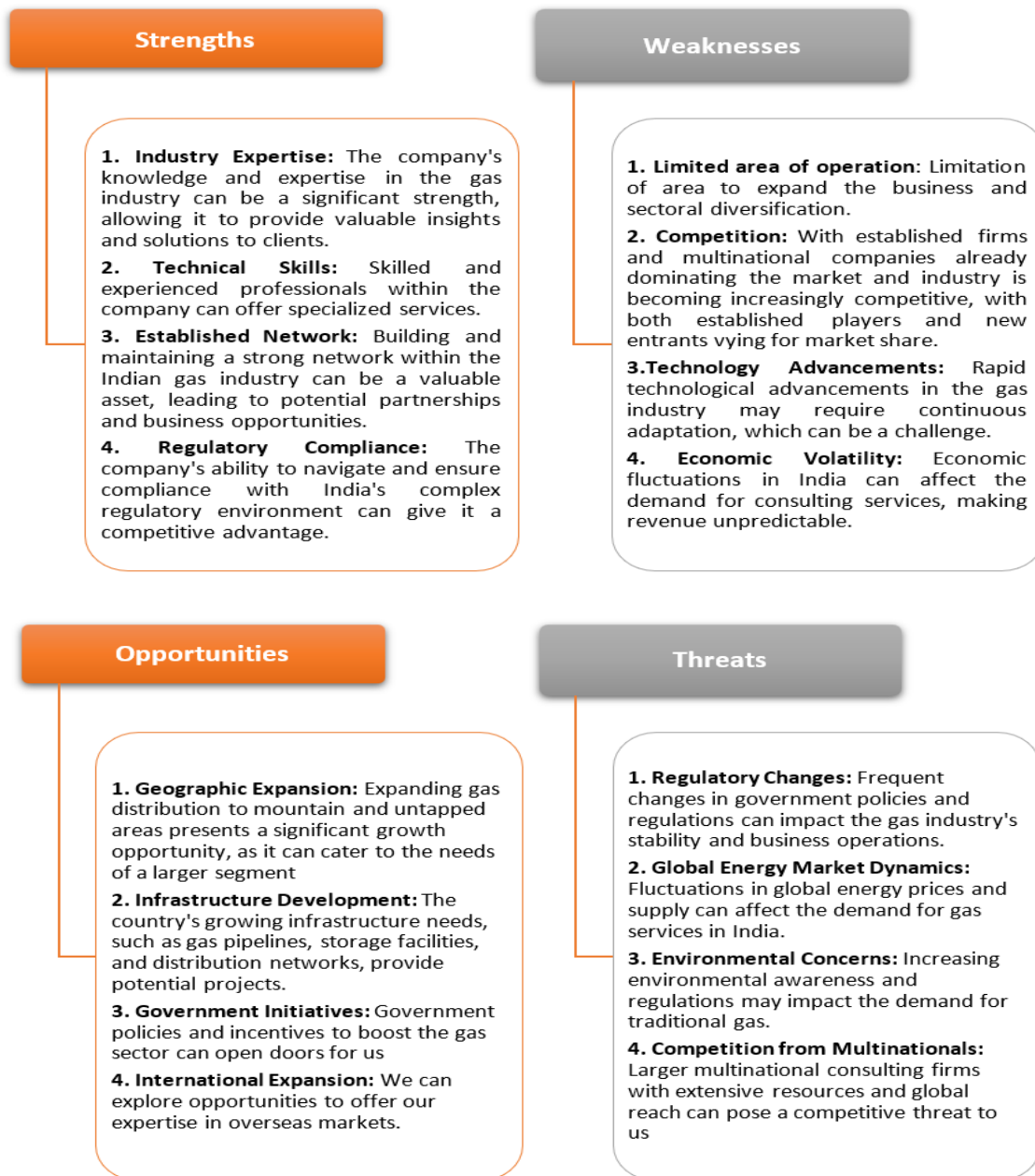
We are acutely aware of the unsatiated and in-elastic demand within the industrial and commercial segments of the natural

gas market. The shifting landscape with large consumers opting to source natural gas directly, indicates a growing need for more accessible and competitive natural gas solutions. Our strategy aligns with addressing this Customized Solutions, Diverse Market Segments, Alliances, Market Education, Scalability.

### 9. Re-Alignment of Old Gas Contracts

The transition of large consumers to sourcing natural gas directly, along with the government's efforts to realign old contracts to current market conditions, indicates a shifting landscape. We see this as an opportunity to provide accessible, competitive, and customer-centric natural gas solutions to unsatiated demand in the industrial and commercial segments. This strategy positions us as a responsive and adaptive player, actively seeking to address unmet demand in the industrial and commercial segments by providing tailored solutions, fostering collaboration, and promoting market education. It underscores the Company's role in delivering value to businesses and supporting their energy transition.

## SWOT ANALYSIS





## END USERS

End users of our services are Industries which are engaged in Oil and Gas distribution.

## PLANT AND MACHINERIES

As we are company engaged in service industry, the requirement of Plant and Machineries is not applicable to us except for computers and peripheral devices.

## COMPETITION

Our company operates in a highly competitive market with a multitude of players ranging from small enterprises to large regional, national, and international entities. The competitive environment is shaped by factors such as service quality and pricing, which significantly influence clients' decisions in choosing their service providers.

We recognize that maintaining a high standard of service quality is paramount in our competitive landscape. Our extensive experience in the industry positions us to meet and exceed customer expectations. In our competitive market, pricing is a crucial factor influencing client decisions. Our approach involves offering competitive and value-driven pricing structures to attract and retain clients. We acknowledge the presence of competitors with similar business divisions. Our diversified portfolio allows us to cater to a broad spectrum of client needs, differentiating us from competitors with a more focused approach.

In navigating this competitive landscape, our commitment to quality, innovation, and customer satisfaction remains unwavering. We understand the challenges posed by a diverse and dynamic market, and our strategic approach positions us to thrive amidst competition.

## OUR MAJOR COMPLETED PROJECTS OF MANAGEMENT & CONSULTANCY SERVICES

Sr. No	Name of Client	Description of the Work(s)	Contract/WO No.	Contract Value without GST ( ₹ in lakhs)	Letter of Acceptance
1	Maharashtra Natural Gas Ltd	Determining capacity of City or Local Natural Gas Distribution Network	4500004124	3.51	24/09/2021
2	Maharashtra Natural Gas Ltd	Integrity Management System (IMS) documents for IMS Accrediation audit plan in year 2022 of Pune, Nashik, Sindhudurg and Ramnagara GA	4500004615	2.984	13/05/2022
3	Bagpat Green Energy Pvt Ltd	Deployment of Outsourced Engineers at Bagpat GA	5600000699/R	16.80	08/03/2022
4	Hindustan Petroleum Corporation Ltd	Detailed feasibility report Bihar Jharkhand, Detailed feasibility report Rajasthan and Detailed feasibility report West Bengal	22000696-OQ-10157	23.54	29/07/2022
5	Adani	TOR of Intake Pipeline Alternate route Survey for Laying MS pipeline in place of GRP pipeline at Raipur Energen Limited, 2X685 MW TTP Village – Raikheda	5700310959	3.35	26/06/2022
6	Adani Gas ltd	Determination of Steel pipeline network Capacity and Submission of report	5700282766	4.00	19/02/2020
7	Gujarat Gas Ltd, Gujarat Zone-1,2,3	Construction Supervision services	5700002449/50	45.88	28/12/2022
8	Gujarat Gas Ltd, Maharashtra	Construction Supervision services	5700002454	2.93	29/12/2022

Sr. No	Name of Client	Description of the Work(s)	Contract/WO No.	Contract Value without GST (₹ in lakhs)	Letter of Acceptance
9.	Sabarmati Gas Limited	Appointment of Consultant to model and Simulate SGL natural gas Pipeline networks for integrity checking and suggestion to sustain the business with existing network for next 5 years".	4900004793	5.90	10/02/2022
10	Sabarmati Gas Limited	Appointment of Consultant to model and Simulate SGL natural gas Pipeline networks for integrity checking and suggestion to sustain the business with existing network for next 5 years"	4600004389	9.44	20/11/2021
11.	HPCL	Detailed feasibility report	GEMC-511687742720414	23.54	29/07/2022
12.	Adani	Consultant to conduct Primary Surveys (Demand Assessment Survey and Reconnaissance Survey) to develop Gas Distribution Network Infrastructure facilities at APSEZ, Mundra by Adani Total Gas Ltd.	5711003245	5.20	15/07/2022
13	Gujarat Gas limited	Operations & Maintenance of De-Compression Skid (DCS) Stations at various locations/clusters of GGL	GGL/AHM/PROC / LOA/2021-22/195	675	05/10/2021
14.	Think Gas Distribution Pvt ltd	Quality Management & Inspection services for CGD Projects	PEPL/TSERVICE S/ 2021/22	1.90	05/01/2021
15	Gail Gas limited	Consultancy Services	GAILGas/Noida/NKG/5600000837 / 21-22/54	23.75	16/11/2021
16.	Sabarmati Gas Limited	Annual Rate Contract For Appointment of Consultant to model and simulate SGL Natural gas pipeline Networks for Integrity Checking and Suggestion to sustain the business With existing network For Next 5 years	5700000943	15.34	05/08/2021
17	Gujarat State Petronet limited	Hiring Of PMC/EC Services For Appointment of O&M Contractor For upcoming MDPE pipeline in Sanand GIDC	LOA-02/354	7.83	15/02/2021
18.	Maharashtra Natural Gas Ltd	Availing Consultancy Services for Submitting Detailed Report to PNHRB	4500003466	4.19	21/11/2020
19.	Adani Gas ltd	Determination of Steel pipeline network Capacity and Submission of report	5700282839	4.00	02/03/2020

**OUR MAJOR ON GOING PROJECTS OF MANAGEMENT & CONSULTANCY SERVICES**

Sr. No	Name of Client	Description of the Work(s)	Contract/ WO No.	Contract Value without GST	Revenue booked till March 31, 2024	Balance Amount	Letter of Acceptance
1	Think Gas Begusarai Private Limited	Work Order for Hiring Of Execution Partners for Begusarai GA	TG/BEGUS ARAI/2019 -2020/67	380.80	249.55	131.25	July 02, 2019
2	Gujarat State petronet Limited	Hiring of PMC / EC Services for developing MOPE pipeline network & associated facilities in Kandla SEZ & Sanand GIDC.	P21/420001 2558	41.00	38.89	2.11	January 08, 2021
3	Indian Oil-Adani Gas Pvt. Ltd	Service orders for PE-PNG operation & maintenance (O&M) works for IOAGPL PANIPAT on L1 rates	571100520 7	41.28	22.69	18.59	July 10, 2023
4	Gujarat Gas Limited	Construction Supervision services for Steel Pipeline construction, PE Laying, PNG Installation & CNG Installation and Project sites/ facilities across Zone 2.	570000244 9	45.88	45.52	0.36	December 28, 2022
5	Gujarat Gas Limited	Construction Supervision services for Steel Pipeline construction, PE Laying, PNG Installation & CNG Installation and Project sites/ facilities across Zone 1.	570000244 8	61.83	60.62	1.21	December 28, 2022
6	Gujarat Gas Limited	Construction Supervision services for Steel Pipeline construction, PE Laying & PNG Installation across Zone 3.	570000245 0	18.61	17.49	1.12	December 28, 2022
7	Gujarat Gas Limited	Construction Supervision services for Steel Pipeline construction, PE Laying, PNG Installation & CNG Installation and Project sites/ facilities across Zone 7.	570000245 2	28.79	27.51	1.28	December 28, 2022
8	Gujarat Gas Limited	Service Callout order for Operation and Maintenance of existing/upcoming CNG Decompression stations at Alang location in Bhavnagar GA.	610000384 5	33.99	33.42	0.57	January 06, 2022
9	AGP CGD India Private Ltd.	Providing O&M Manpower Services for LCNG, COCO/CODO & CNG/CGS Stations (Ramanathapuram Location)	101200056 1	65.13	23.9	41.23	July 11, 2023
10	AGP CGD	PE Laying and PNG	101200054	356.59	86.54	270.05	June 09,

Sr. No	Name of Client	Description of the Work(s)	Contract/ WO No.	Contract Value without GST	Revenue booked till March 31, 2024	Balance Amount	Letter of Acceptance
	India Private Ltd.	installation and connection works (Domestic/Commercial/Industrial)/DMA for Kanchipuram GA, Tamil Nadu	2				2023
11	AGP CGD India Private Ltd	Hiring of Agency for providing PE-PNG O&M services at Kanchipuram GA	1012000454	86.13	54.87	31.26	November 04, 2022
12	AGP City Gas Private Ltd	Hiring of Agency for providing PE-PNG O&M services at AKT GA	2012001034	86.12	85.15	0.97	November 04, 2022
13	AGP City Gas Private Ltd.	PE Laying and PNG installation and connection Works (Domestic/Commercial/Industrial) and DMA Works for AKT GA, Kerala.	2012001171	481.54	21.20	460.34	May 15, 2023
14	Maharashtra Natural Gas Limited	Availing Services for carrying out External Corrosion Direct Assessment (ECDA) of underground high-pressure carbon steel pipeline network for Pune GA	4500004799	28.92	25.98	2.94	October 21, 2022
15	HINDUSTAN PETROLEUM CORPORATION LTD	SITE SUPERVISION SERVICES	22000420-OQ-11100	33.46	4.05	29.41	March 31, 2023
16	AGP CGD India Private Ltd.	Hiring of Agency for providing PE-PNG O&M services at RMN GA	1020000390	3.10	1.10	2.00	April 04, 2023
17	Maharashtra Natural Gas Limited	Project Management Consultant (PMC Services) for Steel Pipeline laying & Associated works for eGD Projects of MNGL in Pune GA.	4500005474	83.91	48.87	35.04	April 12, 2024
18.	THINK Gas Bhopal Pvt. Ltd	Providing Compressor Operators at CNG Stations with ICL make DB Compressors for Bhopal, Rajgarh & Shivpuri GA's of THINK Gas.	5500000785/R1	122.16	31.14	91.02	June 22, 2022
19.	THINK Gas Ludhiana Pvt. Ltd	Providing Compressor Operators at CNG Stations with ICL make DB		96.84	46.20	50.64	June 21, 2022

Sr. No	Name of Client	Description of the Work(s)	Contract/ WO No.	Contract Value without GST	Revenue booked till March 31, 2024	Balance Amount	Letter of Acceptance
		Compressors for Ludhiana and Jalandhar GA's of THINK Gas	550000078 2/R1				
20.	THINK Gas Begusarai Pvt. Ltd	Providing Compressor Operators at CNG Stations with ICL make DB Compressors for Begusarai GA's of THINK Gas	550000078 6/R1	59.84	59.80	0.04	June 22, 2022
21.	Sholagasco Pvt Ltd	Project Management Consultancy Services for Idukki, Kottayam & Pathanamthitta GA, Kerala	SPL/CGD/ KERALA/2 2-23-/01	125.74	15.28	110.46	November 21, 2022
22.	GREEN GAS LTD	Services of consultant for carrying out capacity determination study of City gas distribution network of Green Gas Limited	GGL/C&P/ WO/LKO/2 3-24/046	3.09	1.83	1.26	July 20, 2023
23.	Gujarat Gas Limited	Contract for Operation and Maintenance of existing/upcoming CNG Decompression stations across CLUSTER # 4 - Nadiad, Panchmahal and Dahod	570000199 8	38.00	37.33	0.67	November 08, 2021
24.	Indian Oil-Adani Gas Pvt. Ltd.	MDPE Pipe Laying, LMC Installation at IOAGPL-DAMAN GA.	571100644 5	125.00	4.19	120.81	January 17, 2024
25.	Gail Gas Limited	HIRING OF PMC FOR SITE CONSTRUCTION SUPERVISION SERVICES FOR PART - B MEERUT GA OF GAIL GAS.	GAILGas/ NOIDAIN KG/560000 I 003/23-24/06	200.62	18.42	182.2	October 20, 2023
26.	Kalpataru Projects international Ltd	Mainline Work	2300126973	76.608	47.04	29.568	March 18, 2024
<b>Total</b>				<b>2724.98</b>	<b>1108.58</b>	<b>1851.93</b>	

#### OUR COMPLETED PROJECTS OF MANAGEMENT & CONSULTANCY SERVICES

Sr. No	Name of Client	Description of the Work(s)	Contract/WO No.	Contract Value without GST (in Rs.)	Letter of Acceptance
1	Maharashtra Natural Gas Ltd	Determining capacity of City or Local Natural Gas Distribution Network	4500004124	3.51	24/09/2021
2	Maharashtra Natural Gas Ltd	Integrity Management System (IMS) documents for IMS Accrediation audit plan in year 2022 of Pune, Nashik, Sindhudurg and Ramnagara GA	4500004615	2.984	13/05/2022

Sr. No	Name of Client	Description of the Work(s)	Contract/WO No.	Contract Value without GST (in Rs.)	Letter of Acceptance
3	Bagpat Green Energy Pvt Ltd	Deployment of Outsourced Engineers at Bagpat GA	5600000699/R	16.80	08/03/2022
4	Hindustan Petroleum Corporation Ltd	Detailed feasibility report Bihar Jharkhand, Detailed feasibility report Rajasthan and Detailed feasibility report West Bengal	22000696-OQ-10157	23.54	29/07/2022
5	Adani	TOR of Intake Pipeline Alternate route Survey for Laying MS pipeline in place of GRP pipeline at Raipur Energen Limited, 2X685 MW TTP Village – Raikheda	5700310959	3.35	26/06/2022
6	Adani Gas Ltd	Determination of Steel pipeline network Capacity and Submission of report	5700282766	4.00	19/02/2020
7	Gujarat Gas Ltd, Gujarat Zone-1,2,3	Construction Supervision services	5700002449/50	45.88	28/12/2022
8	Gujarat Gas Ltd, Maharashtra	Construction Supervision services	5700002454	2.93	29/12/2022
9.	Sabarmati Gas Limited	Appointment of Consultant to model and Simulate SGL natural gas Pipeline networks for integrity checking and suggestion to sustain the business with existing network for next 5 years".	4900004793	5.90	10/02/2022
10	Sabarmati Gas Limited	Appointment of Consultant to model and Simulate SGL natural gas Pipeline networks for integrity checking and suggestion to sustain the business with existing network for next 5 years"	4600004389	9.44	20/11/2021
11.	HPCL	Detailed feasibility report	GEMC-511687742720414	23.54	29/07/2022
12.	Adani	Consultant to conduct Primary Surveys (Demand Assessment Survey and Reconnaissance Survey) to develop Gas Distribution Network Infrastructure facilities at APSEZ, Mundra by Adani Total Gas Ltd.	5711003245	5.20	15/07/2022
13	Gujarat Gas limited	Operations & Maintenance of De-Compression Skid (DCS) Stations at various locations/clusters of GGL	GGL/AHM/PROC/LOA/2021-22/195	675	05/10/2021
14.	Think Gas Distribution Pvt ltd	Quality Management & Inspection services for CGD Projects	PEPL/TSERVICES/2021/22	1.90	05/01/2021
15	Gail Gas limited	Consultancy Services	GAILGas/Noida/NKG/5600000837/21-22/54	23.75	16/11/2021
16.	Sabarmati Gas Limited	Annual Rate Contract For Appointment of Consultant to model and simulate SGL Natural gas pipeline Networks for Integrity Checking and Suggestion to sustain the business With existing network For Next 5	5700000943	15.34	05/08/2021

Sr. No	Name of Client	Description of the Work(s)	Contract/WO No.	Contract Value without GST (in Rs.)	Letter of Acceptance
		years			
17	Gujarat State Petronet limited	Hiring Of PMC/EC Services For Appointment of O&M Contractor For upcoming MDPE pipeline in Sanand GIDC	LOA-02/354	7.83	15/02/2021
18.	Maharashtra Natural Gas Ltd	Availing Consultancy Services for Submitting Detailed Report to PNHRB	4500003466	4.19	21/11/2020
19.	Adani Gas Ltd	Determination of Steel pipeline network Capacity and Submission of report	5700282839	4.00	02/03/2020
20.	Velosi Saudi Arabia Co Limited	Support Services to be provided by Positron (Saudi) Electricity Project	9600393206	92.00	04/03/2024
<b>Total</b>				<b>971.08</b>	

### INSTALLED CAPACITY AND CAPACITY UTILISATION

Our company is engaged in the service sector therefore capacity and capacity utilisation data are not applicable to us.

### COLLABORATIONS/ TIE UPS/ JOINT VENTURES

Our Company has entered into collaboration agreement with ICOM North America LLC (New Hudson, MI) for installation of ICOM Dual Fuel LNG conversion systems in on-road trucks weighing over 3.5 tons in India. The new system will result in reduction in emissions with the utilization of LNG contributing to environmental sustainability. The dual-fuel system allows for cost-effective operation with the flexibility of fuel ratios. The product has undergone thorough testing under Indian operating conditions, ensuring optimal performance and reliability. We are currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI).

The primary focus of these collaborations is the development of Dual Fuel technology specifically designed for the Indian market's unique requirements.

Currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI). Upon receiving the necessary approvals, the plan is to launch the Dual Fuel LNG Conversion Systems for commercial use in India.

### TECHNOLOGY

We are using Tally software for efficient financial management, including accounting, bookkeeping, and financial reporting, enabling real-time monitoring of financial transactions to ensure transparency and accuracy.

We are also using MS Projects for comprehensive project planning, allowing us to define project scope, schedule tasks, and allocate resources effectively. It helps in real-time tracking of project progress, ensuring that timelines are adhered to and milestones are achieved. It facilitates allocating resources based on project requirements and adjusting plans as needed and faster decision-making by providing project managers and stakeholders with up-to-date project status and performance metrics.

### UTILITIES AND INFRASTRUCTURE FACILITIES

#### POWER

Our business does not have heavy electricity consumption, except to cater to normal requirements of the office. We sufficiently sanctioned consumption limits from Torrent Power Limited.

#### WATER

Water is required only for drinking and sanitary purpose and adequate water resources are available at the existing premise.

### HUMAN RESOURCES

At Positron, we highly value our human resources and recognize their crucial role in our industry. Our well-structured organization plan aims to foster their growth and motivation. With a prudent mix of experienced and young professionals, we

benefit from both stability and growth. Our skilled and diverse workforce, along with efficient work processes, has enabled successful execution of our growth plans.

Currently, we have a total workforce of 124 employees at various project sites across India. We prioritize meeting manpower requirements as per contractual agreements and client needs.

Sr. No.	Category	Total Number of Employees in category
1.	Executive-Directors	03
2.	Engineers	41
3.	Supervisors	3
4.	Technicians	12
5.	Operators	34
6.	Other workers	31
	<b>Total</b>	<b>124</b>

Further as on the date of the Red Herring Prospectus, our company employees the services of contractual labour as per our business needs. However, no formal agreements are entered between the company and the labour contractor.

### EXPORTS & EXPORTS OBLIGATIONS

We have export to Saudi Arabia and Rwanda. As on date of this Red Herring Prospectus, our Company does not have any export obligations.

### SALES & MARKETING

The success of our company hinges on the efficiency of our marketing and distribution network. We recognize the critical role of robust marketing in achieving our business objectives. Here's an overview of our approach:

- Customer Relationship Management
- Business Development
- Promoting Excellence and Standards
- Relationship Building
- Word of Mouth and Tender Applications

Our marketing and distribution strategy is dynamic, incorporating both traditional relationship-building approaches and modern methodologies. Through these efforts, we aim to not only maintain our current market standing but also explore new avenues for growth and expansion.

### INSURANCE

Presently, our Company has following Insurance Policies:

Sr No.	Insurance Company	Policy Number	Name of Insured/ Proposer	Period of Insurance	Details (Risk Covered)	Sum assured (₹)	Premium Paid (₹)
1.	Go Digit General Insurance	D126229098	Positron Energy Private Limited	November 30, 2023 to November 29, 2024	Digit Employees Compensation Insurance Policy	Upto ₹ 75,000 per employee	34,197.43
2.	HDFC ERGO General Insurance Co. Ltd.	2999205548633 801000	Positron Energy Private Limited	From 00:01 hours: July 10, 2024 To (Midnight): July 09, 2025	Medical Insurance of Employees with sum insured for each employee upto Rs.2,00,000	Hospitalization Expenses to employees.	2,31,135.00
3.	HDFC	2111 2041 0500	Positron	From	Escalation,	23,40,000.	2,292.00



Sr No.	Insurance Company	Policy Number	Name of Insured/ Proposer	Period of Insurance	Details (Risk Covered)	Sum assured (₹)	Premium Paid (₹)
	ERGO General Insurance Co. Ltd.	5703 000	Energy Private Limited	24/03/2024 00:01 hrs To 23/03/2025 Midnight	Earthquake, Terrorism for Office at Flat No:- 603, 6th Floor (As Per Approved Plan 5th Floor), Block No:-N, Shukan Sky, B/S. Shukan Heights, Nr. City Pulse Cinema, Kudasan, GUJARAT, PIN -382010.	00	
4.	HDFC ERGO General Insurance Co. Ltd.	2111 2041 0114 4703 000	Positron Energy Private Limited	From 24/03/2024 00:01 hrs To 23/03/2025 Midnight	Plant and Machinery covered for Inbuilt covers, Terrorism, additions and alterations, etc. for premises at Plot No. 404,405 & 406, Village Talgaria, Post: Batbinor, Dist Bokaro, Jharkhand, Pin -827013.	4,70,00,00 0.00	79,862.00
5.	HDFC ERGO General Insurance Co. Ltd.	2111 2041 0503 0003 000	Positron Energy Private Limited	From 24/03/2024 00:01 hrs To 23/03/20245 Midnight	Building with PNF (including interiors) covered for Inbuilt covers, Terrorism, additions and alterations, etc. for Office No:08 & 411, 4th Floor, Shukan Mall, Nr. Visat Circle, Chandkheda, Gujarat-380005.	9,96,000.0 0	763.00
6.	HDFC ERGO General Insurance Co. Ltd.	2111 2041 0502 7103 000	Positron Energy Private Limited	From 24/03/2024 00:01 hrs To 23/03/2025 Midnight	Escalation, Earthquake, Terrorism for Office at Flat No: 101, 1st Floor, Block B - 5, La Habitat, Opp. Columbia Asia Hospital, Nr. Suvarna Villa, Bungalows, Thaltej, Gujarat-380054.	18,46,000. 00	1,809.00
7.	HDFC ERGO General Insurance	2111 2041 0500 8403 000	Positron Energy Private Limited	From 24/03/2024 00:01 hrs To 23/03/2025	Escalation, Earthquake, Terrorism for Office at Flat No: A-61, 6th Floor, Samkeet-I,	15,90,000. 00	1,558.00

Sr No.	Insurance Company	Policy Number	Name of Insured/ Proposer	Period of Insurance	Details (Risk Covered)	Sum assured (₹)	Premium Paid (₹)
	Co. Ltd.			Midnight	B/H. Prematirth Derasar, Opp. Ratnakar Atelier, Jodhpur, Gujarat-380015.		

### IMMOVABLE PROPERTY

**THE DETAILS OF THE IMMOVABLE PROPERTIES OWNED BY OUR COMPANY ARE GIVEN HERE BELOW:**

Sr. No.	Name of Seller	Address	Purpose	Area (square meter)	Consideration (₹ in lakh)	Date of Acquisition
1.	Sahjanand (Motera) Commercial and Housing Co. Op. Soc. Ltd. and Shukan Corporation	Office On. 411, 4 <sup>th</sup> Floor, Shukan Mall, Visat Gandhinagar Highway, Sabarmati, Ahmedabad	Vacant	28.90	3.25	March 16, 2010
2.	Sahjanand (Motera) Commercial and Housing Co. Op. Soc. Ltd. and Shukan Corporation	Office On.408, 4 <sup>th</sup> Floor, Shukan Mall, Visat Gandhinagar Highway, Sabarmati, Ahmedabad	Vacant	28.90	3.50	September 17, 2011
3.	Calcutta Compressions and Liquefications Engineering	Plot No. 404, 405, 406, Village Talgaria, Post: Batbinor, Dist Bokaro, Jharkhand-827013	Let out	2831.73	17.00	September 14, 2020

**THE DETAILS OF PROPERTIES TAKEN ON LEASE BASIS BY THE COMPANY ARE AS UNDER:**

Sr. No.	Name of Lessor	Name of Lessee	Address of Property	Usage Purpose	Area (Sq Meter)	Rent	Tenure
1.	Manav Bahri, Sujit Sugathan, Rajiv Menon	Positron Energy Private Limited	Unit No. 1206, RG Trade Tower, Plot No: B- 7, Netaji Subhash Place, Pitampura, Delhi	Business	45.17	Rs. 45,000 Per Month	Owned by Promoter-Directors and used by the Company
2.	Manav Bahri, Sujit Sugathan, Rajiv Menon	Positron Energy Private Limited	Unit No. 1205, RG Trade Tower, Plot No: B- 7, Netaji Subhash Place, Pitampura, Delhi	Business	48.45	Rs. 45,000 Per Month	Owned by Promoter-Directors and used by the Company
3.	Creative Infocity Limited	Positron Energy Private Limited	Office No.03, ground Floor, InfoTower-2, Infocity, Airport Road, Near Indroda Circle, Gandhinagar-382009	Registered Office	342.84	Rs. 84,847 + taxes per month to be escalated after every	August 01, 2019 for 108 months till September 30, 2028

Sr. No.	Name of Lessor	Name of Lessee	Address of Property	Usage Purpose	Area (Sq Meter)	Rent	Tenure
						36 <sup>th</sup> Month by 15%	
4.	Krishan Kumar	Positron Energy Private Limited	House No. 1334, Sector 25, HUDA, Panipat, Haryana	Guest House	----	Rs.8,500 per month	July 10, 2023 to June 09, 2024
5.	K. Sathiswaran Nair	Positron Energy Private Limited	TC 69/1580-7 Kalippankulam Ward, Anjanam, Konchiravilla, Manacaud Post, Thiruvananthapuram-695009	Guest House	-----	Deposit: Rs. 50,000 Rent: Rs.18,000 per month	11 months w.e.f. December 01, 2023
6.	Esheva Constructions & Properties	Positron Energy Private Limited	Green Acre, Plot No. 225, Temple Green Project, Mathur Village, Sriperumbur Taluk, Kancheepuram District – 602105	Guest House	-----	Deposit: Rs. 60,000 Rs.20,000 per month	June 12, 2023 to May 11, 2024
7.	Mr. Shewale Bajirao Shrirang	Positron Energy Private Limited	Office No. B-401, 4 <sup>th</sup> floor Narayani Apartment, Pune-Solapur Road, Shewalwadi Phata, Location: Manjari BK 412307 Village: Manjari budruk, Tehsil Haveli, Pune	Business	250 Sq.Ft.	Deposit: Rs. 25,000 Rs.12,000 per month	April 14, 2023 to February 13, 2025

## INTELLECTUAL PROPERTY

### Trade Marks

Following are the trademarks registered in the name of the Company

Description	Registration No./ Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
Registration for Trade Mark	4931619 POSITRON ENERGY PRIVATE LIMITED	35	Trade Mark Act 1999	Trademark Registry	April 02, 2021	April 02, 2031

Other than as stated as above, our business or profitability is not materially dependent on any patent, grant of license from third parties, commercial or financial contract (including a contract with a customer) or new production process.

### Domain Name

Domain Name	Registrar/IANA ID	Creation Date	Expiry Date
positron-india.com	PDR Ltd./303	December 12, 2007	December 13, 2024

## DETAILS OF INDEBTNESS

The details of facilities availed from Banks are as follows:

Sr No.	Lender	Nature of Facility	Sanctioned Loan (₹ in lakhs)	Outstanding as on March 31, 2024	Rate of Interest/ Margin	Repayment Terms	Security/ Principal terms and condition	Collateral Security/ Other Condition
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Sr No.	Lender	Nature of Facility	Sanctioned Loan (₹ in lakhs)	Outstanding as on March 31, 2024	Rate of Interest/ Margin	Repayment Terms	Security/ Principal terms and condition	Collateral Security/ Other Condition
<b>Secured Loans</b>								
1.	HDFC Bank Ltd	Cash Credit	310.00	273.13	9.75% (the reference rate shall be reset by the Bank once in 3 months or at such intervals as permissible as under RBI guidelines)	Upto March 15, 2024	Primary Security Hypothecation of Stocks and Book Debts. FD As LC Margin, Fixed Deposit for BG And SBLC Limits	Collateral Security as under: 1.FD Of Rs 100 Lacs as Collateral Security 2.Mortgage of Commercial Office at 408, Shukan Mall, Near Visat Circle 4 <sup>th</sup> Floor of market value Rs.43.54 Lakh 3.Mortgage of Commercial Office at 411, Shukan Mall, Near Visat Circle 4 <sup>th</sup> Floor of market value Rs.21.77 Lakh 4. Mortgage of Residential Flat 603, 6 <sup>th</sup> Floor Shukan Sky B/S Shukan Heights of value Rs.54.00 Lakh 5. Mortgage of
2.		Working Capital Term Loan	350	122.25	9.75% (the reference rate shall be reset by the Bank once in 3 months or at such intervals as permissible as under RBI guidelines)	84 months		
3.		Standby Letter of Credit	83.00	-	21%	365 days		
4.		Bank Guarantee	7.00	-	5%	1095 days		
5.		Bank Guarantee (sub limit)	10.00	-	—	1095 days		
6.		Bank Guarantee (performance)	3700.00	2911.62	45%	1460 days		
7.		Standby Letter of Credit (sub limit)	1000.00	-	45%	365 days		
8.		Bank Guarantee (sub limit)	1020.00	-	45%	1460 days		

Sr No.	Lender	Nature of Facility	Sanctioned Loan (₹ in lakhs)	Outstanding as on March 31, 2024	Rate of Interest/ Margin	Repayment Terms	Security/ Principal terms and condition	Collateral Security/ Other Condition
								Residential Flat A-61 Jodhpur Gam, Velajpur of value Rs.80.00 Lakh  6. Mortgage of Residential Flat No.101, Near Suvarna Villa Bungalows, Thaltej of value Rs.92.26 Lakh  Personal Guarantee of Directors

**Credit Covenants:**

1. The Promoters' Tangible Net-Worth (Share Capital + Reserves + Unsecured Loan from Promoters or their family members that will permanently remain in business and not liable to be paid back, loans and advances to Promoters or their Related Parties not pertaining to business purpose - debtors greater than 6 months, goodwill.
2. Intangible Asset - Investment in Real Estate/Shares/LIC/MF/Debt Fund) to be maintained at Rs 2600 lacs during the currency of the overdraft.

**UNSECURED LOANS**

Our Company has availed Unsecured Loans from its Directors and their relatives as on March 31, 2024 as given below:

Sr. No.	Name of the Entity/ Person	Amount (₹ In Lakh)
<b>Directors &amp; Related Parties</b>		
1.	Manav Bahri	134.88
2.	Rajiv Menon	257.78
3.	Sujit Sugathan	194.88
4.	Axon Finance & Sec.	45.00
<b>Total</b>		<b>632.53</b>

## KEY INDUSTRY REGULATIONS

*Except as otherwise specified in this Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The approvals/ licences and registrations under the Petroleum and natural gas related Acts and regulations are required to be obtained by our suppliers as well as customers. The details of approvals obtained by us/to be obtained have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page 195 of this Red Herring Prospectus.

### BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS:

#### A. The Petroleum and Natural Gas Regulatory Board Act, 2006 (“PNGRB Act”)

The PNGRB Act provides for the establishment of the Petroleum and Natural Gas Regulatory Board (the “**Regulatory Board**”) to regulate the refining, processing, storage, transportation, distribution, marketing and sale of petroleum, petroleum products and natural gas (excluding the production of crude oil and natural gas) so as to protect the interest of consumers and entities engaged in specified activities. The Regulatory Board does so by fostering fair trade and competition amongst the entities, ensuring uninterrupted and adequate supply of petroleum, petroleum products and natural gas in all parts of the country, securing equitable distribution for petroleum and petroleum products, monitoring prices and laying down technical standards and specifications including safety standards in activities relating to the same. The PNGRB Act provides that no entity shall market any notified petroleum, petroleum products or natural gas, establish or operate an LNG terminal or lay, build, operate or expand any pipeline as a common contract carrier or distribution network without obtaining prior registration or authorizations from the Regulatory Board and that any entity carrying out such activity before the appointed date shall be deemed to have such authorization or registration subject to the provisions of the PNGRB Act. Further, the Regulatory Board may declare a pipeline for transportation of petroleum, petroleum products and natural gas or authorise an entity to lay, build and operate or expand a pipeline as a common carrier after inviting objections and suggestions from entities likely to be affected by such authorizations. The entity laying, building, operating or expanding a pipeline for transportation of petroleum, petroleum products and LNG has the right of first use for its own requirement and the remaining capacity is to be used among the entities as decided by the Regulatory Board having regard to the needs of fair competition in marketing and availability of petroleum and petroleum products and natural gas throughout the country. The Regulatory Board also has powers to specify the terms and conditions for determining the transportation tariff for pipelines calculated on the basis of cost of service, internal rate of return and net present value. The contravention of the directions of the Regulatory Board is punishable with a fine. The Regulatory Board has investigative powers and powers to decide disputes as well.

#### B. The Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962

The Petroleum and Minerals Pipelines (Acquisition of Right to User Inland) Act, 1962 (the “**Petroleum and Minerals Pipelines Act**”) provides for, inter alia, the acquisition of right of user in land for laying pipelines for the transport of petroleum and minerals and for matters connected therewith. As per the Petroleum and Minerals Pipelines Act, whenever it appears to the Central Government that it is necessary in public interest that for the transport of petroleum or any mineral from one locality to another locality, pipelines may be laid by that Government or by any State Government or a corporation and that for the purpose of laying such pipelines it is necessary to acquire the right of user in any land which such pipelines may be laid, it may, by notification in the Official Gazette, declare its intention to acquire the rights of user therein. Where the right of user in any land has vested in the Central Government or in any State Government or corporation, the Petroleum and Minerals Pipelines Act makes it lawful for any person authorized by the Central Government or any State Government or corporation, as the case may be, and his servants and workmen to enter upon the land and lay pipelines or to do any other act necessary for the laying of pipelines.

### **C. Petroleum and Natural Gas Regulatory Board (the “PNGRB”) Regulations**

#### **(i) PNGRB (Authorizing Entities to Lay, Build, Operate Or Expand City Or Local Natural Gas Distribution Networks) Regulations, 2008 (the “CGD Authorization Regulations”)**

The CGD Authorization Regulations authorize, regulate and lay down the criteria and procedure for entities to lay, build, operate or expand a City Gas Distribution (“CGD”) network. The CGD Authorization Regulations pave the way for development of CGD network and provide for selection of an entity through an open bidding process. Regulation 5 of the CGD Authorization Regulations specifies the minimum eligibility criteria for an entity to participate in the bidding process and regulation 14, 15 and 16 specify post authorization monitoring of activities, service obligations and the consequences of default and termination of authorization procedure. Regulation 5(8) provides for a period of ninety days for submission of application cum bid for grant of authorization for laying, building, operating and expanding the CGD network. As per regulation 10(3) of the CGD Authorization Regulations, the grant of authorization to an entity cannot be renounced by way of sale, assignment, transfer or surrender to any person or entity till five years from the date of issue. On failure to abide by the terms and conditions specified in these regulations and/ or on failure to take remedial actions to correct the same, the performance bond may be encashed or the authorization of the entity may be terminated as per the procedure prescribed in regulation 16. Civil penalty under the PNGRB Act may also be applied.

#### **(ii) The PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2015, amended the CGD Authorization Regulations.**

By way of this amendment, the PNGRB has also allowed an existing entity to induct a new partner in laying, building, operating or expanding city or local natural gas distribution network, till such time the existing entity continues to be a lead partner. In relation to selection criteria of an entity bidding for the authorization, the amendment lays down that an entity submitting the bid should not have been imposed any penalty under section 28 or punished under chapter IX of the PNGRB Act, during the period of preceding one year from the last date of submission of the bid. Further, the minimum time period before which an entity can renounce its rights in favour of a new entity has been increased from three years to five years. The amendment also amended provisions in relation to criteria for bidding by entities and fixing of natural gas pipeline tariff etc. The amendment has allowed the PNGRB to determine the transportation tariff as per the PNGRB Act.

#### **(iii) PNGRB (Affiliate Code of Conduct for Entities Engaged in Marketing of Natural Gas and Laying, Building, Operating or Expanding Natural Gas Pipeline) Regulations, 2008 (the “NGPL Affiliate Code Regulations”)**

The PNGRB notified the NGPL Affiliate Code Regulations, 2008 on July 17, 2008, under the PNGRB Act, setting forth the manner of the interaction between an entity and its affiliate or for engagement by an entity on its own, in either case, for transportation and marketing of natural gas at arm’s length. The objectives of the Affiliate Code of Conduct Regulations include the prevention of preferential access or cross-subsidization of costs between the regulated activity and any other non-regulated activity.

#### **(iv) PNGRB (Determination of Transportation Rate for CGD and Transportation Rate for CNG) Regulations, 2020 (the “CGD Tariff Regulations”)**

The CGD Tariff Regulations provide for the procedure and methodology to determine the transportation rate for CGD and transportation rate for CNG of a CGD Network declared as common carrier or contract carrier in terms of PNGRB (Guiding Principles for Declaring City or Local Natural Gas Networks as Common Carrier or Contract Carrier) Regulations, 2020. The CGD Tariff Regulations shall apply on the CGD Networks authorized under Regulation 17 and 18 of the CGD Authorization Regulations and Section 16 and 42 of the PNGRB Act. The transportation rate for CGD and CNG for the CGD Networks authorized through the bidding route shall be discovered through bidding.

#### **(v) PNGRB (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008 (the “PNGRB Exclusivity Regulations”)**

The PNGRB Exclusivity Regulations stipulate the terms under which the PNGRB can grant exclusivity rights over CGD networks to entities selected through a bid process or through other provisions of the CGD Authorization Regulations and relevant sections of PNGRB Act (authorized entity). The PNGRB is empowered to grant an exclusive right to lay, build or expand CGD networks (infrastructure exclusivity). Infrastructure exclusivity is granted for a term lasting the economic life of the project which is normally expected to be twenty-five years. The PNGRB can also grant an exclusive right to supply gas through the CGD network i.e., exclusivity from the purview of common carrier or contract carrier (marketing exclusivity) to an entity proposing to lay, build or expand a CGD network. Marketing exclusivity can only be granted for a limited period of

time i.e., for a maximum period of five/eight years after which the authorised entity is required to allow other entities to supply gas through the CGD network on a non-discriminatory basis. Exclusivity has been offered to entities in order to incentivize investment in developing CGD networks and to facilitate their development in a planned and integrated manner. Entities selected to exclusively service a geographical area are required to furnish a specific performance bond to the PNGRB. Further, an authorized entity must comply with the service obligations set out in the regulations during and after the exclusivity period such as inter alia providing domestic PNG connections as per the bid and laying the CGD network throughout the authorised area.

**(vi) PNGRB (Guiding Principles for Declaring City or Local Natural Gas Distribution Network) Regulation, 2020 (the “PNGRB Guiding Principles Regulations”)**

These PNGRB Guiding Principles Regulations have been issued by the PNGRB for the purpose of protecting the interests of consumers by fostering fair trade and competition amongst the entities, promoting competition among entities, avoiding infructuous investment and for maintaining or increasing supplies or for securing equitable distribution or ensuring adequate availability of natural gas to consumers. These regulations shall apply to an authorised entity after expiry of marketing exclusivity period of an authorised area.

**(vii) PNGRB (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Regulations, 2008 (the “Technical Standards Regulations”)**

The Technical Standards Regulations address the design, materials, fabrication, installation, inspection and testing, commissioning, operation, maintenance, modifications and abandonment of CGD networks. Standards for city or local natural gas distribution networks have been specified to ensure uniformity in the application of design principles and to guide selection and application of materials and components. These standards are monitored by the PNGRB to ensure compliance. In the event of failure to meet the standards laid down under the Technical Standards Regulations, the authorization of the entity may be suspended or terminated as per the procedure laid down thereunder. The PNGRB (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016 have amended the provisions of Technical Standards Regulations relating to technical standards and specifications including safety standards for city or local natural gas distribution networks as specified in schedule-I which cover material and equipment (Schedule-1A), piping system components and fabrication (Schedule- 1C) and design, installation and testing (Schedule-1D).

**(viii) PNGRB (Code of Practice for Quality of Service for City or Local Natural Gas Distribution Networks) Regulations, 2010 (the “Service Quality Regulations”)**

The Service Quality Regulations lay down the code of practice for promoting reliable service to consumers and the public. They also provide service standards to be complied with by every CGD entity authorised for laying, maintaining and expanding CGD networks for new and existing PNG connections. Further, the Service Quality Regulations also prescribe a code of practice with reference to metering and billing of domestic, commercial and industrial connections and a code of practice with reference to planned network interruptions. Under these regulations, CGD entities are required to submit annual returns to the PNGRB as specified in Schedule I which covers technical, consumers, complaints, regulatory compliance plan and reliability of supply.

**(ix) PNGRB (Access Code for City or Local Natural Gas Distribution Networks) Regulations, 2020 (the “Access Code Regulations”)**

The Access Code Regulations govern the contracts between authorized entities and shippers such as common carriers and contract carriers. The Access Code Regulations mandate authorized entities to provide non-discriminatory access to CGD and LNG networks at the end of the exclusivity period to any entity or shippers who want access to entry point capacity, exit point capacity and delivery at CNG exit point capacity on such networks for supply of natural gas to domestic, commercial or industrial consumers. The authorised entities are required to declare entry point, exit point, exit point capacity and publish an information memorandum for seeking capacity booking on its website, 90 days before the end of its exclusivity period. The Access Code Regulations also provide for payment of certain charges to authorised entities by the shippers for gaining access to its CGD Networks. The Access Code Regulations prevent abuse of monopoly in the distribution system and promote the development of a competitive market by establishing uniform principles.

**(x) PNGRB (Integrity Management System for City or Local Natural Gas Distribution Networks) Regulations, 2013 (the “Integrity Management Systems Regulations”)**



The Integrity Management Systems Regulations outline the basic features and requirements for developing and implementing an effective and efficient integrity management plan for CGD networks through evaluating the risks associated with it and allocating resources effectively for prevention, detection and mitigation activities and improving the safety of CGD networks so as to protect personnel, property, public and environment and by streamlining operations. They provide a system for ensuring compliance with their provisions by conducting the following audits during operation phase:

- (a) Internal audit as per the checklist for CGD Networks provided by PNGRB to be carried out by the management of the operator every year; and
- (b) External audit by a third party, approved by the PNGRB, as per the methodology which is specified by the PNGRB every three years.

The Integrity Management System Regulations provide that in the event of any deviation or shortfall in the implementation of the system the entity may be liable to face the penal consequences as per the relevant provisions of the PNGRB Act and Integrity Management System Regulations.

**(xi) PNGRB (Determining Capacity of City or Local Natural Gas Distribution Network) Regulations, 2015 (the “Capacity Determination Regulations”)**

The Capacity Determination Regulations outline the methodology including procedure, parameters, both constant and variable and frequency of declaration of CGD network capacity which shall be used for providing access to a shipper on a non-discriminatory basis under the PNGRB (Access Code for City or Local Natural Gas Distribution Networks) Regulations, 2020.

The capacity of a CGD network shall be determined by entities on the first working day of October every year or whenever there is a change in quantity of natural gas plus or minus 10% of previous declared capacity due to any of the following:

- (a) change in quality of gas;
- (b) modification, upgradation, addition or deletion of entry or exit points; and
- (c) addition or deletion of loop lines, compressor etc.

Entities have to submit a report to the PNGRB once the determination of capacity is made. The PNGRB after analyzing the report submitted by an entity can either accept or reject the declared capacity. Once accepted, the entity shall publish the accepted CGD network capacity on its website in accordance with the Access Code Regulations.

**(xii) PNGRB (Codes of Practices for Emergency Response and Disaster Management Plan Regulations, 2010 (the “ERDMP Regulations”)**

The ERDMP Regulations cover identification of emergencies, the mitigation measures to reduce and eliminate the risk or disaster, the preparedness required to develop plans for actions when disaster or emergencies occur. Schedule VII of the ERDMP Regulations lays down the emergency response and disaster management plan required to be implemented with respect to pipelines carrying petroleum products. The ERDMP Regulations also provide the responses that mobilize the necessary emergency services including responders like fire service, police service, medical service and the post disaster recovery with the aim to restore the affected area to its original conditions. Emergencies under the ERDMP Regulations can be categorized into three broad levels on the basis of seriousness and response requirements. The ERDMP Regulations provide that records all incidents covered under Level-I should be maintained by the entity for inspection whenever called for inspection and Level-II and Level-III shall be reported to the PNGRB in the format specified within 48 hours after occurrence of the incidents or any other reason triggering major incident. The PNGRB is empowered by regulation 8 of the ERDMP Regulations to monitor compliance with ERDMP, technical standards and specifications, either directly or indirectly through accredited third parties. In the event of deviation from the recommended standards, the entities would be liable to the penal provisions under the applicable technical standards and specifications.

**(xiii) PNGRB (Levy of Fee and Other Charges) Regulations, 2007 (“the Levy of Fees Regulations”)**

The Levy of Fees Regulations has been necessitated on account of the fact that scrutiny of a large number of applications and the process associated with them pertaining to registration, authorization, complaints etc. by the PNGRB puts pressure on scarce regulatory resources available. Under these regulations, the PNGRB can levy fees and other charges on entities for various services/activities.

**(xiv) PNGRB (Third Party Conformity Assessment) Regulations, 2015 (the “Third Party Conformity Regulations”)**

The Third-Party Conformity Regulations outline the mechanism for assessment of conformity to various regulations by entities through approved agencies or by the PNGRB on its own including eligibility criteria and procedure for assessment of third-party agencies for empanelment as an approved agency.

**(xv) PNGRB (Gas Exchange) Regulations, 2020 (the “Gas Exchange Regulations”)**

The Gas Exchange Regulations regulates the establishment and operation of the gas exchange and clearing corporations and matters connected therewith and incidental thereto. The aim of the Gas Exchange Regulations is to promote and sustain an efficient and robust gas market ecosystem by creating a neutral and transparent marketplace operating under PNGRB. Regulation 11 of the Gas Exchange Regulations provides for seeking PNGRB’s authorization for setting up and operating a Gas Exchange or a Clearing Corporation.

**D. MoPNG/PNGRB Guidelines**

**(i) PNGRB (Commissioning and Gas charging in steel pipelines for city or local Natural Gas Distribution Networks) Guidelines, 2016 (the “Commissioning Guidelines”)**

The Commissioning Guidelines have been issued by the PNGRB for the purposes of safe purging, commissioning and decommissioning of city or local natural gas distribution networks. The Commissioning Guidelines are applicable to an entity which is laying, building, operating or expanding or which proposes to lay, build, operate or expand a city or local natural gas distribution network. The Commissioning Guidelines provide for pre-commissioning checks, safety audits, safety measures etc. to be undertaken prior to commissioning.

**(ii) PNGRB (Gas Supplies to Industrial, Commercial customers) Guidelines, 2020 (the “Gas Supplies Guidelines”)**

The Gas Supplies Guidelines have been issued by the PNGRB for the purpose of ensuring the health, safety and integrity of internal installation within the customer premises including and not limited to its material selection, planning and designing, installation, inspection, testing and commissioning as well as operation and maintenance of the facilities downstream of Meter or MRS conforming to specifications laid down in the PNGRB Technical Standards for CGD Networks (T4S).

**(iii) PNGRB (Gas Supplies to Multi Occupancy Residential Buildings) Guidelines, 2020 (the “Gas Supplies Guidelines II”)**

The Gas Supplies Guidelines II have been issued by the PNGRB for the purpose of installation of the pipes etc. for supplying natural gas to multi occupancy residential buildings (domestic premises) where natural ventilation is not available, in the tertiary network and up to and including the steel reinforced rubber hose installed inside the kitchen of the domestic customer and includes the risers and laterals systems to facilitate supply of natural gas to the domestic customers.

**(iv) PNGRB (Model access arrangement related to access code for CGD Networks) Guidelines, 2014 (the “Model Access Guidelines”)**

The Model Access Guidelines have been issued by the PNGRB for the purpose of providing guiding principles for facilitating access arrangement between the authorized entity and the shippers as specified under the provision of the PNGRB (Access Code for city or Local Natural Gas Distribution Networks) Regulations, 2020.

**(v) New Domestic Natural Gas Pricing Guidelines, 2014 (the “New Gas Pricing Guidelines”)**

The New Gas Pricing Guidelines have been issued for the purpose of determining gas price for all gas produced from nomination fields given to Oil and Natural Gas Corporation and OIL India, New Exploration and Licensing Policy (NELP) blocks, such pre-NELP blocks where, the Production Sharing Contracts (PSC) provides for Government approval of gas price and Coal Bed Methane. The gas price determined under these guidelines shall not be applicable where prices have been fixed contractually, for a certain period of time, till the end of such period. The gas price determined under these guidelines shall also not be applicable where the PSC concerned provides for a specific formula for natural gas price indexation/fixation and to such pre-NELP PSCs which do not provide for Government approval of formula/basis for gas prices.

**E. Policy for development of Natural Gas Pipelines and City or Local Natural Gas Distribution Networks (the “Pipeline Policy”)**

The Pipeline Policy was notified on December 20, 2006. The Pipeline Policy provides that it may be read in conjunction with the provisions of the PNGRB Act and the rules and regulations framed thereunder. The objective of the Pipeline Policy is to facilitate open access for all players to the pipeline network on a non-discriminatory basis and promote competition among entities thereby avoiding any abuse of the dominant position by any entity. The Pipeline Policy applies to non-dedicated pipelines and not to dedicated pipelines. The latter have been defined as pipelines laid to supply gas to specific consumers

originating from regulated pipelines provided the same are for their own use and not for resale. No non-dedicated gas pipeline or city or local gas distribution network may be laid, built, operated or expanded without authorization by the PNG Regulatory Board. If a company's pipelines come within the definition of dedicated pipelines, it is required to furnish certain details to the PNG Regulatory Board every six months. In case any such pipeline ceases to be a dedicated pipeline in future, the same may be brought to the notice of the PNG Regulatory Board and will require authorization to be granted by the PNG Regulatory Board under the provisions of the PNGRB Act. The Pipeline Policy envisages the constitution of a Gas Advisory Body for giving advice to the Central Government and promoting and developing the gas pipeline.

#### **H. Guideline for Allocation/Supply Of Domestic Natural Gas To CGD Entities for Compressed Natural Gas (Transport)& Piped Natural Gas (Domestic) (the “Domestic Gas Supply Guidelines”)**

The Domestic Gas Supply Guidelines have been issued to meet the growing demand of the sector and to meet the shortfall in availability of domestic gas for supplies of pooled natural gas. Under these guidelines, to verify the end use of pooled natural gas supplied for CNG (T)/PNG(D) purpose, all the CGD entities shall furnish the provisional consumption figure on a monthly basis within 2 days of the end of the calendar month.

#### **I. Accommodation of Public and Industrial Utility Services along and across National Highways- Policy regarding guidelines**

The policy regarding Accommodation of Public and Industrial Utility along and across National Highway was introduced for the purpose of laying utilities service along and/or across the Right of Way (“RoW”). Utility Services along the National Highways should be laid in utility corridors located at appropriate locations preferably as close to the extreme edge of RoW. The policy provides that the pipelines for utilities shall cross the National Highways only through structures or conduits built specially for this purpose. The utility service shall cross the National highway preferably on a line normal to it or as nearly so as applicable. The casing /conduit pipe should, as minimum, extend from drain to drain in cuts and toe of slope to toe of slopes in the fills and shall be designed in accordance with the provision of Indian Road Congress and executed following the specifications of the Ministry.

#### **J. Guidelines on Pipeline Crossing Under Railway Tracks**

The guidelines on pipeline crossing under railway tracks was introduced for the purpose of conveying inflammable substances like petroleum, oil or gas. Pipeline included under this category are those installed to carry oil, gas, petrol or other inflammable or highly volatile substances under pressure, or any substance, which form its nature or pressure might cause damage if escaping on, or in the vicinity of railway property. Pipeline crossing should not be located in close vicinity of existing bridges, buildings and other types of structures and should be minimum 14m away from these.

#### **K. Oil Industry (Development) Act, 1974**

The Oil Industry (Development) Act, 1974 (the “OID Act”) provides for, inter alia, the establishment of the Oil Industry Development Board (the “OID Board”) for the development of the oil industry and for that purpose to levy a duty of excise on crude oil and natural gas. The functions of OID Board are, inter alia, rendering financial and other assistance for the promotion of all such measures as are conducive to the development of the oil industry. Before rendering any such assistance to any oil industry concern or other person, the OID Board shall have regard to such directions as the Central Government may issue in this regard. The OID Board may apply to the courts for certain reliefs in case an oil industrial concern or other

persons default on repayments of loans or violate the terms of the assistance agreement. One of the reliefs is the transfer of the management of the oil industrial concern to OID Board.

#### **L. Explosives Act, 1884**

The Explosives Act regulates the manufacture, possession, use, sale, transport and import and export of the explosives. The Central Government may, for any part of India make rules consistent with the Explosives Act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use, sale, transport, import and export of explosives, or any specified class of explosives. Where a person makes an application for license under the Explosives Act, the authority prescribed thereunder after making such inquiry, if any as it may consider necessary, shall, subject to the other provisions of the Explosives Act, by an order in writing, either grant license, or refuse to grant the same. The licensing authority shall grant a license where it is required for the purpose of manufacture of explosives if the licensing authority is satisfied that the person by whom license is required possesses technical know-how and experience in the manufacture of explosives or where it is required for any other purpose, if the licensing authority is satisfied that the person by whom such license is required has a good reason for obtaining the same. Extensive penalty provisions have

been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act.

#### **M. The Petroleum Act, 1934 (“Petroleum Act”)**

The Petroleum Act is an act to consolidate and amend the law relating to the import, transport, storage, production, refining and blending of petroleum. The term ‘Petroleum’ is defined as any liquid hydrocarbon or mixture of hydrocarbons, and inflammable mixture (liquid, viscous or solid) containing any hydrocarbon, and includes natural gas and refinery gas. Petroleum Act restricts any entity/individual to produce, refine or blend petroleum in accordance with the rules prescribed under the Petroleum Act. The Petroleum Act provides power to the Central Government to make rules prescribing the conditions subject to which petroleum may be produced, refined, or blended. The Central Government can also regulate the removal of petroleum from places where it is produced, refined or blended and prevent the storage therein and removal therefrom.

#### **N. Public Liability Insurance Act, 1991 (“Public Liability Act”)**

The Public Liability Act provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification dated March 24, 1992. The owner or handler is also required to take out one or more insurance policies insuring against liability under the legislation and renew the same periodically. The Public Liability Act also provides for the establishment of the Environmental Relief Fund, which shall be utilised towards payment of relief granted under the Public Liability Act. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

#### **O. Legal Metrology Act, 2009 (“LM Act”)**

The LM Act establishes and enforces standards of weights and measures and regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offenses and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act. Any manufacturer dealing with the instruments for weights and measuring of goods is mandated to procure a licence from the state department under the LM Act. Any violation of the provisions of the LM Act or non-compliance thereof shall result in a monetary penalty to be borne by the manufacturer or in some cases, seizure of goods or imprisonment.

#### **P. Oil Industry Safety Directorate 179 (“OISD 179”)**

OISD publications are prepared for use in the oil and gas industry under the MoPNG. Specifically, OISD 179 covers “Safety Requirements on Compression, Storage, Handling and Refueling of Natural Gas for use in the Automotive Sector”. OISD 179” lays down the minimum safety requirements to be satisfied at installations handling Natural Gas for dispensing into vehicles and minimum checks required in the vehicles by Refueling stations.

#### **Q. Oil Industry Safety Directorate 188 (“OISD 188”)**

OISD 188 covers “Corrosion Monitoring of offshore and onshore pipelines”. OISD 188 prescribes various corrosion monitoring requirements and test methods for offshore and onshore pipelines. OISD 188 is applicable to offshore and onshore pipelines such as multiphase pipelines, gas pipelines, oil pipelines and water injection pipelines.

#### **R. ASME B31.8, 1999 (“ASME B31.8”)**

ASME B31.8 relates to gas transmission and distribution piping systems. This code covers the design, fabrication, installation, inspection and testing of pipeline facilities used for the transportation of gas. This code also covers safety aspects of the operation and maintenance of those facilities.

### **ENVIRONMENT LAWS**

#### **(i) The Environment (Protection) Act, 1986 (“EPA”)**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emit any environmental pollutant in

excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants and hazardous wastes, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. The EPA is applicable to our Company in general and to the extent of applicability of the Hazardous Waste Rules.

**(ii) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board. The Hazardous Waste Rules are applicable to our Company only to the extent of maintenance services provided to our customers and the arrangements entered into with recyclers to treat the hazardous waste.

**(iii) Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)**

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an “air pollution control area” before the restrictions under the Air Act apply. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. Further, such an industrial plant shall not be permitted to emit air pollutants in excess of the standards laid down by the state pollution control board.

**(iv) Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act was enacted to control and prevent water pollution and for maintaining or restoring the wholesomeness of water in the country. The objective of this legislation is to ensure that the domestic and industrial pollutants are not discharged into rivers and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support of marine life. In order to achieve its objectives, the Pollution Control Boards at Central and State levels were created to establish and enforce standards for factories discharging pollutants into water bodies. Further, any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board.

**(v) Environment Protection Rules, 1986 (the “EP Rules”) and Environmental Impact Assessment Notification, 2006 (“EIA Notification”)**

Further, the EP Rules specify, among other things, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

**(vi) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (The “MSIHC Rules”)**

The MSIHC Rules are applicable to an industrial activity in which a hazardous chemical is involved or stored isolated in a quantity equal to or more than the threshold quantity as per the given specification. The occupier shall notify the concerned authority within 48 hours in case of a major accident on site or in a pipeline and furnish thereafter to the concerned authority a report related to the accident. The occupier shall also notify the precautionary steps taken to avoid any repetition of such occurrence on a site.

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

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees; Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, Micro enterprise, where the investment in equipment does not exceed ten lakh rupees, Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:**

### **(i) Shops and Establishments laws in various states**

As per the provisions of local Shops and Establishments laws applicable in the State of NCT of Delhi, Gujarat and Maharashtra establishments are required to be registered. In Gujarat, the minimum number of employees for an establishment to seek registration is 10. However, an intimation of setting up the establishment is to be sent to the concerned department irrespective of the number of employees, as soon as the same is set up. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **(ii) Stamp Act in various states**

The purpose of the Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Governments of NCT of Delhi and Gujarat are empowered to prescribe or alter the stamp duty as per their need.

### **(iii) Professions, Trade, Callings and Employments Act in various states**

The Professions tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujarat and Maharashtra 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 income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **GENERAL CORPORATE LAWS**

### **(i) Companies Act, 2013**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of the President of India on 29th August 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private companies into public companies and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, winding up, voluntary winding up, and appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **(ii) The Sale of Goods Act, 1930**

The Sale of Goods Act, 1930 governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyers and sellers, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### **(iii) The Registration Act, 1908**

The Registration Act, 1908 (“Registration Act”) was enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. The Registration Act 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 immovable property and a lease of immovable property for any term exceeding one year or reserving a yearly rent. It also provides for non-compulsory registration of documents as enumerated in the provisions.

### **(iv) The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **(v) The Specific Relief Act, 1963**

The Specific Relief Act is complementary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for the purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means the Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to the other party.

### **(vi) Negotiable Instruments Act, 1881**

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheques not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offense in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

## **TAX RELATED LEGISLATIONS**

### **(i) Income Tax Act, 1961**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company which is assessed for income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

### **(ii) Goods and Services Tax Act, 2017**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer,

purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

## EMPLOYMENT AND LABOUR LAWS

### (i) The Code on Wages, 2019 (the “Code”)

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allow the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

- **The Payment of Wages Act, 1936**

Payment of Wages Act, 1936, as amended by Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made thereunder.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965**

The Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

- **Occupational Safety, Health and Working Conditions Code, 2019**

The Government of India enacted ‘The Occupational Safety, Health and Working Conditions Code, 2019 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume 13 labour legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, that concern our business. Details of these existing Acts are as follows –

- **Contract Labour (Regulation and Abolition) Act, 1970**



The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months, 20 or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

- **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This law is applicable to all the establishments employing 5 or more migrant workmen from other states. In addition to this, this law is also applicable to contractors who have employed 5 or more inter-State workmen. The establishment must be registered with the local authority while employing migrant workers. This means that an establishment is prohibited from employing migrant workers from other states if they do not have a certificate from the concerned authority. The same law applies to the contractors too who employ workers from one state and deploy them in other states. As per this law, the contractors deploying the migrant workers must provide terms and conditions of the recruitment to the workers. These are the remuneration payable, hours of work, fixation of wages and other essential amenities.

- **The Industrial Relations Code, 2020**

The Government of India enacted ‘The Industrial Relations Code, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows –

- **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. This Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provides for the constitution of grievance settlement machineries in any establishment having 20 or more workers.

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provide that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business etc.

- **Industrial Employment (Standing Orders) Act, 1946 (the “Standing Orders”)**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments having 50 or more workmen employed, so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial establishment. The highlights of the Standing Orders are classification of workmen, manner of intimation to workers about work and wage related details, attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

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

The Government of India enacted ‘The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume 9 separate legislations including the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the

Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The relevant laws that the code shall subsume, are currently as follows –

- **Employee’s Compensation Act, 1923**

The Employees’ Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employee’s Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employee’s Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees’ Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 days of death/serious bodily injury.

- **Employee’s State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and ‘employment injury’ and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employers and employees both are required to make contributions to the fund. The return of the contribution made is required to be filed with the Employees’ State Insurance Corporation.

- **Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees’ provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make an equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees’ Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

- **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which 10 or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

- (ii) **The Public Liability Insurance Act, 1991 and the Public Liability Insurance Rules, 1991**

The Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under this Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

- (iii) **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms 'sexual harassment' and 'workplace' are both defined in the Act. Every employer should constitute an "Internal Complaints Committee" and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

#### **(iv) Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act")**

The "CLPR Act seeks to prohibit the engagement of children in certain occupations and to regulate the conditions of work of children in certain other occupations. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

### **INTELLECTUAL PROPERTY RIGHTS**

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the domestic laws, India is party to several international intellectual property related instruments including the Patent Cooperation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the Berne Convention for the Protection of Literary and Artistic Works, 1886, the Universal Copyright Convention adopted at Geneva in 1952, the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights.

#### **(i) The Trade Marks Act, 1999 ("Trade Marks Act")**

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

#### **(ii) Copyright Act, 1957 ("Copyright Act")**

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, "Copyright Laws") governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. Computer programme constitutes a literary work under Indian law and is afforded copyright protection and the owner of such computer programme becomes entitled to protect his works against unauthorized use and misappropriation of the copyrighted work or a substantial part thereof. Any act of this nature entitles the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Further, copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work and once registered, copyright protection remains valid until expiry of sixty years from the demise of the author. Reproduction of a copyrighted computer programme for sale or hire or trade exhibit in public or distribution or commercial rental, offer for sale or commercial rental, issuing copy(ies) of the computer programme or making an adaptation of the work without consent of the copyright owner amounts to infringement of the copyright. However, the Copyright Act prescribes certain fair use exceptions which permit certain acts, which would otherwise be considered copyright infringement.

#### **(iii) The Patents Act, 1970**

The Patents Act, 1970 (“Patents Act”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. Section 39 of the Patents Act also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee. While the Patents Act prohibits patentability of a ‘computer programme’ as such, computer programmes in combination with novel hardware could be considered patentable depending on the substance of the invention and applicable provisions of the Patents Act. Computer programmes on their own are excluded from patent protection and are protected as a literary work under the Copyright Laws. In terms of the Patent Act, the patentee holds the exclusive right to prevent third parties from the using, offering for sale, selling or importing for such purposes, the patented product or product obtained directly by a process patented in India.

## **FOREIGN INVESTMENT LAWS:**

### **(i) Foreign Trade (Development and Regulation) Act, 1992**

The FTDR is the main legislation concerning foreign trade in India. The FTDR, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. 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 wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code (“IEC”) number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract a penalty under the FTDR.

### **(ii) Foreign Exchange Management Act, 1999 & Rules thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent 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 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

### **(iii) The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974**

COFEPOSA came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection of foreign exchange. The Government shall also issue an order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbors any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government.

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**(iv) Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India (“RBI”) also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

**ANTI-TRUST LAWS****Competition Act, 2002**

The Act is to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect the interest of consumers and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

**GENERAL LAWS**

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Transfer of Property Act, 1882, Information Technology Act, 2000 etc. are also applicable to the Company.

## HISTORY AND CORPORATE STRUCTURE

Our Company was originally registered in the name of "Positron Energy Private Limited" and received a certificate of incorporation dated February 15, 2008 from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli under The Companies Act, 1956. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on December 23, 2023 and the name of our Company was changed to "Positron Energy Limited". A fresh Certificate of Incorporation consequent upon conversion from Private Limited Company to Public Limited Company dated January 02, 2024 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U01403GJ2008PLC052932.

Our Company for the initially 11 years were mere engaged in the Management & Technical Advisory Services of Oil and Gas Industry. Later on, in the FY 2018-19, our promoters planned to commence the aggregation business of Coal Bed Methan Gas (CBM) for supplying to industrial unit. After having successful business of CBM Gas aggregation also, as per the demand of industrial units, our Company in July 2022 decided to aggressively commence the business of Natural Gas aggregation for such industrial unit.

Our Company was started by our Promoters Mr. Rajiv Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan. Our Promoters have combined experience of more than 45 years in the Gas and Oil Industry. Our Promoters have been pillars of our Company's growth and have built a strong value and eco - system. With their enriching experience and progressive thinking, we aim to continue to grow in the Oil & Gas industry.

We are engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas. Our technical qualifications and empanelment with most industrial customers attest to our reliability and competence. Moreover, distribution of Natural gas is facilitated through common carrier pipeline networks operated by major public and private sector players in the Indian market.

Our Company is an ISO 9001:2015 and ISO 45001:2018 certified company. The quality certification is towards providing consultancy services, O&M services to the Oil & Gas sector. We have in-house capabilities to deliver a project from conceptualization to completion with fast turnaround time from acquisition to launch to completion, which focuses on de-risking and improving return on investment. Our core competence lies in professional management and attracting and retaining talent to maximize value creation. Since incorporation, we have provided services to major companies which are engaged in the Oil & Gas Sector, including both PSUs and private companies. Our Company has demonstrated a prominent presence in the Oil and Gas Sector and has developed significant expertise and competencies in this field. Our Company aims to leverage its strength and continue expansion into the Oil and Gas sector lead our company to desired growth trajectory.

In addition to our operational endeavours, our business is secured with the Indian Gas Exchange (IGX) through its clearing member. This client membership enables us to source natural gas on-demand for our short-term requirements from the free market, where prices are determined through a transparent exchange mechanism. Moreover, it also provides flexibility to offload excess Gas if necessary. As at march 31, 2024, our portfolio includes a substantial daily volume of 4000-5000 MMBTU of gas from various sources. We engage in long-term contracts linked with formulas, determined through mutual discussions with our customers.

Our services are consistent round the year. We are a quality conscious company. We are constantly striving to expand our service portfolio and we always look forward to complementing projects of our clients

Our Company has entered into collaboration agreement with ICOM North America LLC (New Hudson, MI) for installation of ICOM Dual Fuel LNG conversion systems in on-road trucks weighing over 3.5 tons in India. The new system will result in reduction in emissions with the utilization of LNG contributing to environmental sustainability. The dual-fuel system allows for cost-effective operation with the flexibility of fuel ratios. The product has undergone thorough testing under Indian operating conditions, ensuring optimal performance and reliability. We are currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI).

### REGISTERED OFFICE

The Registered Office of the Company is presently situated at Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007. The Registered office of our Company has been changed twice since incorporation, details of which are given hereunder:

Date of Change of Registered office	Registered Office		Reason
On Incorporation	Plot no.204, 2 Latha Nivas, Sector-6B, Gandhi Nagar, Gujarat-382006		Not Applicable
	Changed From	Changed to	
June 10, 2010	Plot no.204, 2 Latha Nivas, Sector-6B, Gandhi Nagar, Gujarat-382006	411, Shukan Mall, Visat Gandhinagar Highway, Sabarmati, Ahmedabad, Gujarat-380005	Administrative Convenience
January 25, 2024	411, Shukan Mall, Visat, Gandhinagar, Highway Sabarmati, Ahmedabad, Gujarat-380005	Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007.	Administrative Convenience

#### KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

Our Company has received Certificate of appreciation issued by The Central Board of Indirect Taxes and Customs, Ministry of Finance, Government of India for prompt return filing and payment of GST during the financial year 2022-23.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

##### NAME CLAUSE

The Following changes have been made in the Name Clause of our company since its inception.

Date of Approval of Shareholders	Particulars	Reason
On Incorporation	“Positron Energy Private Limited”	Not Applicable
January 02, 2024	The name of our company changed from “Positron Energy Private Limited” to “Positron Energy Limited.”	Business Expansion, planning to come up with an Initial Public Offer and conversion from private limited to public limited

##### OBJECT CLAUSE

Date of Amendment	Particulars
On Incorporation	<p><i>To carry on in India or elsewhere, the business of buying, selling, marketing, supplying, importing, exporting, trading, hedging, storing, distributing, transporting, manufacturing, compressing, producing, processing, refining, mixing, formulating, purifying, disinfecting, converting, compounding, developing, deriving, discovering, searching, mining, quarrying, releasing, manipulating, preparing, or otherwise dealing in fuels required or used in industries, household, agriculture, laboratories, hospitals, aviators, vehicles, space rockets, communications, power plants, energy generation, water works, forest/plant protection and all other purposes whatsoever, including petroleum, petroleum products and by products, petrochemicals, oil, crude, oxygen, hydrogen, nitrogen, carbonic acid and all sorts of gases including natural gas (NG), liquified natural gas (LNG), compressed natural gas (CNG), liquified petroleum gas (LPG) and associated gaseous substance, hydro-carbons, coal, coal bed methane, lignite, coke, petrol, naphtha, high speed diesel, aviation turbine fuel, superior kerosene oil, including other related products and to act as selling agents, commission agents, sales organizers, distributors, stockiest, del-credre agents, C &amp; F agents, wholesalers and retailers for aforesaid products and designing, developing, erecting, installing, setting up, operating, maintaining, managing, owning, leasing, hiring ,retails or wholesales outlets, pumps, terminal, depots, showroom, storage tanks, warehouse, godowns, objects, equipment’s, device, facilities, infrastructure and to carry on the business of transportation, and distribution, designing, setting up erecting, maintaining and operating India or abroad, pipes, pipelines, cross country piping, systems, cylinders and other allied facilities for distribution of fuels, gases, natural resources and to provide other related and ancillary services, facilities assets or infrastructure, including but not limited to value all sorts added services, to plan, to establish, develop, provide, promote, use, operate, conduct, procure, facilitate maintain, do business provide infrastructure and act as consultant, agents for attending the above objects</i></p> <p><i>To carry on manage, supervise and control the business of transmitting, manufacturing,</i></p>

	<i>supplying, generating, distributing and dealing in electricity and all forms of energy and power generated by any source whether nuclear, steam, hydro or tidal, water, wind, solar, hydrocarbon fuel, natural gas or any other form kind or description.</i>
April 14, 2017	<p><i>To carry on in India or elsewhere, the business of buying, selling, marketing, supplying, importing, exporting, trading, hedging, storing, distributing, transporting, manufacturing, compressing, producing, processing, refining, mixing, formulating, purifying, disinfecting, converting, compounding, developing, deriving, discovering, searching, mining, quarrying, releasing, manipulating, preparing, or otherwise dealing in fuels required or used in industries, household, agriculture, laboratories, hospitals, aviators, vehicles, space rockets, communications, power plants, energy generation, water works, forest/plant protection and all other purposes whatsoever, including petroleum, petroleum products and by products, petrochemicals, oil, crude, oxygen, hydrogen, nitrogen, carbonic acid and all sorts of gases including natural gas (NG), liquified natural gas (LNG), compressed natural gas (CNG), liquified petroleum gas (LPG) and associated gaseous substance, hydro-carbons, coal, coal bed methane, lignite, coke, petrol, naphtha, high speed diesel, aviation turbine fuel, superior kerosene oil, including other related products and to act as selling agents, commission agents, sales organizers, distributors, stockiest, del-credre agents, C &amp; F agents, wholesalers and retailers for aforesaid.</i></p> <p><i>To carry on the business in the Energy Sector by providing IT &amp;IT Enabled Services which includes outsourcing services for all processes, sub Processes, transactions, activities and all other work performed by business in various industries by setting up call-centers, BPO services and to act as management consultant and render engineering, technical management and other skilled and other services to all types of industry or organizations in India or abroad. To carry on business in the Energy Sector through purchase, sell, hire, lease, operate and maintaining software-based communication systems and aids of all kinds and all machinery and electronic devices ancillary thereto (including but without limitation satellites and the like). To promote, encourage, establish, develop, maintain, organize, undertake, manage, operate, conduct and to run in India or abroad software based IT simulation centers, data processing centers, consultancy business, software consultancy and other allied activities and all sorts of services relating to software, its maintenance, repairs, programmes &amp; operations for Energy sector includes any industrial, commercial, domestic, public utility, natural gas, oil, defense, government, and other general customers or sections of society for business and or process improvement.</i></p>

### **AUTHORIZED CAPITAL**

The following changes have been made in the Authorized Capital of our Company since inception:

<b>Date of Amendment</b>	<b>Particulars</b>
On Incorporation	Authorized Capital of ₹ 2.00 Lakhs Divided into 20000 (Twenty Thousand) Equity Shares of ₹ 10/- each.
February 2, 2011	The Authorised Share capital increased from ₹ 2.00 Lakhs Divided into 20000 (Twenty Thousand) equity shares of ₹ 10/- each to ₹ 50.00 Lakhs Divided into 5,00,000 (Five Lakhs) Equity Shares of ₹10/- each.
January 04, 2024	The Authorised Share capital increased from ₹ 50.00 Lakhs Divided into 5,00,000 (Five Lakhs) Equity Shares of ₹10/- each to ₹ 800.00 Lakhs consisting of 80,00,000(Eighty Lakhs) Equity Shares each of ₹ 10/-each.

### **MAJOR EVENTS**

There are no major events in the company since its incorporation except as mentioned below.

<b>Year</b>	<b>Key Events/Milestone/ Achievement</b>
2008	Our Company was incorporated as a private limited company under the name “Positron Energy Private Limited”
2019	Our promoters commenced the aggregation business of Coal Bed Methan Gas (CBM) for supplying to industrial unit.



Year	Key Events/Milestone/ Achievement
2021	Our Company diversified into the Gas Aggregation and Distribution segment and entered into collaboration agreements with ICOM North America LLC (USA) for development and marketing of dual fuel systems in India
2023-2024	Our Company has achieved a Milestone of ₹ 80.00 Crore Revenue from Operations for eight months ended on November 30, 2023 on consolidated basis.
2024	Our Company was converted into Public Limited Company under the name of “Positron Energy Limited”

#### OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled “*Business Overview*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page. 109, 94 and 179 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoter, please refer to sections titled “*Our Management*” and “*Capital Structure*” beginning on page. 157 and 61 respectively of this Red Herring Prospectus.

#### RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity or debt, please see the section entitled “*Capital Structure*” and “*Restated Financial Information*” on page nos. 61 and 177 respectively of this Red Herring Prospectus.

#### DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

#### SUBSIDIARIES/ HOLDINGS/ASSOCIATES AND JOINT VENTURES OF THE COMPANY

Our Company does not have any Subsidiaries/ Holdings/Associates and Joint Ventures as on the date of this Red Herring Prospectus our company.

#### INJUNCTION AND RESTRAINING ORDER

Our Company is not under any injunction or restraining order, as on date of filing of this Red Herring Prospectus.

#### MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section “*Our management*” on Page no. 157 of this Red Herring Prospectus.

#### MATERIAL ACQUISITIONS/ AMALGAMATIONS/ MERGERS/ REVALUATION OF ASSET/ DIVESTMENT OF BUSINESS/ UNDERTAKING IN LAST TEN YEARS

Except as below mentioned, there has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking in the last 10 years.

##### Acquisition

Our Company has acquired 13,675 Equity Shares (27.35%) in Positron Gas Limited resulting in Associate Company w.e.f. May 15, 2015.

##### Disinvestment

Our Company has sold 13,675 Equity Shares in Positron Gas Limited resulting in sale of Associate Company w.e.f. December 04, 2023. After such transaction, Company holds Nil Equity shares in Associate Company.

Our Company has sold Equity shares (Non quoted) 1815000 of Rs. 10 each, of which 1210000 Equity shares Rs. 6 Partly Paid up. Calcutta Compressions & Liquefaction Engineering Limited resulting in sale of Associate Company w.e.f. July 10, 2020. After such transaction, Company holds Nil Equity shares in Associate Company.

#### TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Red Herring Prospectus, the total numbers of equity shareholders are 7 (Seven). For more details on the shareholding of the members, please see the section titled “*Capital Structure*” at page no. 61 of this Red Herring Prospectus.

#### **MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

- 1. To carry on in India or elsewhere, the business of buying, selling, marketing, supplying, importing, exporting, trading, hedging, storing, distributing, transporting, manufacturing, compressing, producing, processing, refining, mixing, formulating, purifying, disinfecting, converting, compounding, developing, deriving, discovering, searching, mining, quarrying, releasing, manipulating, preparing, or otherwise dealing in fuels required or used in industries, household, agriculture, laboratories, hospitals, aviators, vehicles, space rockets, communications, power plants, energy generation, water works, forest/plant protection and all other purposes whatsoever, including petroleum, petroleum products and by products, petrochemicals, oil, crude, oxygen, hydrogen, nitrogen, carbonic acid and all sorts of gases including natural gas (NG), liquified natural gas (LNG), compressed natural gas (CNG), liquified petroleum gas (LPG) and associated gaseous substance, hydro-carbons, coal, coal bed methane, lignite, coke, petrol, naphtha, high speed diesel, aviation turbine fuel, superior kerosene oil, including other related products and to act as selling agents, commission agents, sales organizers, distributors, stockists, del-credre agents, C & F agents, wholesalers and retailers for aforesaid.*
- 2. To carry on the business in the Energy Sector by providing IT &IT Enabled Services which includes outsourcing services for all processes, sub Processes, transactions, activities and all other work performed by business in various industries by setting up call-centers, BPO services and to act as management consultant and render engineering, technical management and other skilled and other services to all types of industry or organizations in India or abroad. To carry on business in the Energy Sector through purchase, sell, hire, lease, operate and maintaining software-based communication systems and aids of all kinds and all machinery and electronic devices ancillary thereto (including but without limitation satellites and the like). To promote, encourage, establish, develop, maintain, organize, undertake, manage, operate, conduct and to run in India or abroad software based IT simulation centers, data processing centers, consultancy business, software consultancy and other allied activities and all sorts of services relating to software, its maintenance, repairs, programmes & operations for Energy sector includes any industrial, commercial, domestic, public utility, natural gas, oil, defense, government, and other general customers or sections of society for business and or process improvement.*

#### **SHAREHOLDERS AGREEMENTS**

Our Company has not entered into any shareholders agreement as on the date of filing this Red Herring Prospectus.

#### **OTHER AGREEMENTS**

Except as below mentioned, As on the date of this Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Red Herring Prospectus.

#### **JOINT VENTURE AGREEMENTS**

Our Company has not entered into any joint venture agreement as on the date of this Red Herring Prospectus.

#### **COLLABORATION AGREEMENTS**

Our Company has entered into collaboration agreements with ICOM North America LLC (USA) for development and marketing of dual fuel systems in India as on the date of this Red Herring Prospectus.

#### **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Red Herring Prospectus.

#### **FINANCIAL PARTNERS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Red Herring Prospectus.

## OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has six (6) directors on our Board, of which 3 (Three) Directors are Executive Directors and 3 (Three) Director is Non-Executive Director out of which Two (2) Directors are Independent Directors.

- |                                   |   |                                 |
|-----------------------------------|---|---------------------------------|
| 1. Dr. Safalta S Gupta            | - | Chairman & Independent Director |
| 2. Mr. Rajiv Shankarankutty Menon | - | Managing Director               |
| 3. Mr. Manav Bahri                | - | Whole Time Director & CEO       |
| 4. Mr. Sujit K Sugathan           | - | Whole Time Director & CFO       |
| 5. Mr. Suresh Ayyappankutty       | - | Non-Executive Director          |
| 6. Mr. Devanutosh Kothari         | - | Independent Director            |

The Following table sets forth details regarding the Board of Directors as on the date of this Red Herring Prospectus.

Dr. Safalta S Gupta	
Father's Name	Mr. Vijaykumar Ramswaroop Gupta
DIN	10468828
Date of Birth	July 16, 1980
Age	43 years
Designation	Chairman & Independent Director
Status	Non-executive
Qualification	She holds the degree of MBBS and Diploma in Gynecology since 2003 and Obstetrics (D.G.O) from the from University of Gujarat since 2005.
No. of Years of Experience	She has an experience of 7 years in the field of Gynecology.
Address	2, Abhijan Co. op. housing Society, Nr- Madhukunj Society, Maninagar (East), Ahmedabad, Gujarat - 380008
Occupation	Professional
Nationality	Indian
Date of Appointment	She was appointed as an Additional Independent Director of the company w.e.f. January 17, 2024. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024, her designation was changed to Independent Director for period of 5 (five) years w.e.f. January 17, 2024. Later on, she was appointed as Chairman of the company w.e.f. January 20, 2024.
Term of Appointment and date of expiration of current term of office.	She holds the office of the company for a period of 5 years up to January 16, 2029, not liable to retire by rotation.
Other Directorships	Nil

Mr. Rajiv Shankarankutty Menon	
Father's Name	Late. Shankarankutty Appukuttan Menon
DIN	01958636
Date of Birth	May 08, 1979
Age	44 years
Designation	Managing Director
Status	Executive
Qualification	He holds the degree of Bachelor of Commerce (B.com) from Sardar Patel University, Gujarat

<b>Mr. Rajiv Shankarankutty Menon</b>	
No. of Years of Experience	He is having an experience of more than 15 years in Oil & Gas Industry.
Address	B-5/101, La Habitat, Opp Shukan Bunglows, Off S.G. Highway, Thaltej, Ahmedabad, Gujarat -380054
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as Chairman and Director under Promoter Category since incorporation of the company i.e. February 15, 2008. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024 his designation was changed to Managing Director for a period of 3 years w.e.f. January 19, 2024.
Term of Appointment and date of expiration of current term of office.	He holds office for 3 years w.e.f. January 19, 2024 and liable to retire by rotation.
Other Directorships	Positron Gas Limited, Positron Ventures Private Limited, Sairama Infraenergy Private Limited Troika Infra Energy Private Limited*

\*Designated as Nominee Director on the Board of Director of the Company

<b>Mr. Manav Bahri</b>	
Father's Name	Mr. Satish Chander Bahri
DIN	01959472
Date of Birth	March 28, 1976
Age	47 Years
Designation	Whole Time Director & CEO
Status	Executive
Qualification	He Holds the degree of Bachelor of Technology in Civil Engineering from National Institute of Technology, Hamirpur, Himachal Pradesh University since 1998 and Post Graduate Diploma in Management (Dual Specialisation) from Symbiosis Institute of Management Studies since 2000.
No. of Years of Experience	He is having an experience of more than 15 years in Oil & Gas Industry.
Address	House No. SD-334, Tower Apartments, Pitampura, Saraswati Vihar, North West Delhi-110034.
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as an Executive Director under Promoter category since incorporation of the company i.e. February 15, 2008. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024 his designation was changed to Whole Time Director of the company for a period of 3 years.
Term of Appointment and date of expiration of current term of office.	He holds office for 3 years w.e.f. January 19, 2024 and liable to retire by rotation. He was also appointed as CEO of the company w.e.f. January 17, 2024.
Other Directorships	Positron Gas Limited, Positron Ventures Private Limited Sairama Infraenergy Private Limited

<b>Mr. Sujit K Sugathan</b>	
Father's Name	Mr. Kuttappan Sugathan
DIN	01959364

<b>Mr. Sujit K Sugathan</b>	
Date of Birth	May 21, 1982
Age	41 years
Designation	Whole Time Director & CFO
Status	Executive
Qualification	He holds the degree of Bachelor of Engineering (B.E) in Electrical Branch from L.D College of Engineering, Gujarat University since 2004 and Master of Business Administration (Oil & Gas Management) from the University of Petroleum and Energy Studies, Dehradun since 2005.
No. of Years of Experience	He has an experience of more than 15 years in the Oil & Gas Industry.
Address	Plot No: 204/2, Latha Nivas, opp. Inquiry Office Sector 6 B Gandhinagar, Mansa, Gujarat 382006
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as Executive Director under Promoter category since incorporation of the company i.e. February 15, 2008. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024 his designation was changed to Whole Time Director of the Board of Directors for a period of 3 years.
Term of Appointment and date of expiration of current term of office.	He holds office for 3 years w.e.f. January 19, 2024 and liable to retire by rotation. He was also appointed as CFO of the company w.e.f. January 17, 2024.
Other Directorships	Positron Gas Limited Positron Ventures Private Limited Sairama Infraenergy Private Limited

<b>Mr. Suresh Ayyappankutty</b>	
Father's Name	Mr. Ayyapankutty Raman
DIN	10469077
Date of Birth	May 14, 1983
Age	40 years
Designation	Non-Executive Director
Status	Non-executive
Qualification	He holds the Degree of Bachelor of Engineering (Power Electronics) from Saurashtra University and Master of Business Administrative from ICFAI University, Dehradun
No. of Years of Experience	He has 15 years' experience in Sales & Marketing, Supply chain, Data infrastructure and Data Science in Agrochemical, Pharma, Lubes, Oil & Gas, Metal & Mining, Power Generation.
Address	A 103, Prathna Greens, B/H Pramukh Nagar, Uvarsad, Gandhinagar, Gujarat-382422
Occupation	Service
Nationality	Indian
Date of Appointment	He was appointed as an Additional Non Executive Director of the company w.e.f. January 17, 2024. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024, his designation was changed to Non-Executive Director of the company w.e.f. January 19, 2024
Term of Appointment and date of expiration of current term of office.	He holds the office w.e.f. January 19, 2024 and liable to retire by rotation.
Other Directorships	Nil

<b>Mr. Devanutosh Kothari</b>	
Father's Name	Mr. Bhimsen Dalchand Kothari
DIN	09133988
Date of Birth	June 29, 1978
Age	46 years
Designation	Independent Director
Status	Non-executive
Qualification	He holds a Degree of Bachelor of Commerce from Gujarat University, since 1999.
No. of Years of Experience	He has an Experience of more than 4 years in a in Business and Management Consultancy.
Address	303, Savita Enclave, Opp S.B.I, Bodakdev, Ahmedabad, Gujarat-380054
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as an Additional Independent Director w.e.f. July 18, 2024. Thereafter pursuant to approval of member in Extra Ordinary General Meeting held on July 19, 2024, his designation was changed to Independent Director of the company for the period of 5 (five) years w.e.f July 18, 2024.
Term of Appointment and date of expiration of current term of office.	He holds the office for a period of 5 years with effect from July 18, 2024 up to July 17 2029, not liable to retire by rotation.
Other Directorships	Nil

### **BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY**

#### **Dr. Safalta S Gupta**

Dr. Safalta S Gupta aged 43 years is a Chairman & Independent Director of the company. She holds the degree of MBBS since 2003 and Diploma in Gynecology and Obstetrics (D.G.O) from the University of Gujarat, since 2005. She has an experience of 7 years in the field of Gynaecology. Her presence on the board contributes to fostering independence in the company's functioning and operations.

#### **Mr. Rajiv Shankarankutty Menon**

Mr. Rajiv Shankarankutty Menon aged 44 years is Managing Director of the company. He holds the degree of Bachelor of Commerce (B.com) from Sardar Patel University, Gujarat. He is having an experience of more than 15 years in Oil & Gas Industry. He has been one of the guiding force behind the growth and business strategy of our Company.

#### **Mr. Manav Bahri**

Mr. Manav Bahri, aged 47 years is Whole Time Director & CEO of the company. He Holds the degree of Bachelor of Technology in Civil Engineering from National Institute of Technology, Hamirpur, Himachal Pradesh University since 1998 and Post Graduate Diploma in Management (Dual Specialisation) from Symbiosis Institute of Management Studies since 2000. He is having an experience of more than 15 years in Oil & Gas Industry. He currently looks into the overall operation of the company.

#### **Mr. Sujit K Sugathan**

Mr. Sujit K Sugathan, aged 41 years is Whole Time Director & CFO of the Company. He holds the degree of Bachelor of Engineering (B.E) in Electrical Branch from L.D. College of Engineering, Gujarat University since 2004 and Master of Business Administration (Oil & Gas Management) from the University of Petroleum and Energy Studies, Dehradun since 2005. He has an experience of more than 15 years in the Oil & Gas Industry. He look efficiently companies overall financial related activities of the company.

#### **Mr. Suresh Ayyappankutty**

Mr. Suresh Ayyappankutty aged 40 years is a Non-Executive Director of the Company. He holds the Degree of Bachelor of Engineering (Power Electronics) from Saurashtra University and Master of Business Administrative from ICFAI University, Dehradun. He has 15 years' experience in Sales & Marketing, Supply chain, Data infrastructure and Data Science in

Agrochemical, Pharma, Lubes, Oil & Gas, Metal & Mining, Power Generation. His presence on the board brings independence in the functioning and working of the Company.

**Mr. Devanutosh Kothari**

Mr. Devanutosh Kothari, aged 46 years is an Independent Director of the company. He holds a Degree of Bachelor of Commerce from Gujarat University, since 1999. He has an Experience of more than 4 years in a in Business and Management Consultancy.

**Note:**

As on the date of this Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the NSE, during the term of their directorship in such company.
- b) None of the Directors are on the RBI List of wilful defaulters.
- c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018. None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Red Herring Prospectus.
- e) None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.
- f) None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

**Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension.**

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

**Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting.**

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

**RELATIONSHIP BETWEEN THE DIRECTORS**

There is no relationship between any of the Directors of our Company except as given below as on date of filling of Red Herring Prospectus:

Sr. No.	Name of Director	Designation	Relation
1.	Mr. Sujit K Sugathan	Whole Time Director	He is brother-in-law of Mr. Suresh Ayyappankutty, Non-Executive Director of the company.
2.	Mr. Suresh Ayyappankutty	Non-Executive Director	He is brother-in-law of Mr. Sujit K Sugathan who is a Whole Time Director & CFO of the company.

**ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

### SERVICE CONTRACTS

Except as Discussed below, none of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company. Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and Key Managerial personnel, are entitled to any benefits upon termination of Employment.

### BORROWING POWERS OF THE BOARD OF DIRECTORS

Pursuant to a special resolution passed at an Extraordinary General Meeting of our Company held on January 04, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 200 Crores (Rupees Two Hundred Crores only).

### COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR AND WHOLE TIME DIRECTORS ARE AS FOLLOWS: -

Name	Mr. Rajiv Shankarankutty Menon	Mr. Manav Bahri	Mr. Sujit K Sugathan
Designation	Managing Director	Whole Time Director & CEO	Whole Time Director & CFO
Date of Appointment/ Change in Designation	He was appointed as Chairman and Director under Promoter Category since incorporation of the company i.e. February 15, 2008. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024 his designation was changed to Managing Director for a period of 3 years w.e.f. January 19, 2024.	He was appointed as an Executive Director under Promoter Category since incorporation of the company i.e. February 15, 2008. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024 his designation was changed to Whole Time Director of the Board of Directors for a period of 3 years.	He was appointed as Executive Director under Promoter category since incorporation of the company i.e. February 15, 2008. Thereafter pursuant to approval of members in Extra Ordinary General Meeting held on January 19, 2024 his designation was changed to Whole Time Director of the Board of Directors for a period of 3 years.
Period	He holds office for 3 years w.e.f. January 19, 2024 and liable to retire by rotation.	He holds office for 3 years w.e.f. January 19, 2024 and liable to retire by rotation.	He holds office for 3 years w.e.f. January 19, 2024 and liable to retire by rotation.
Salary	Upto ₹ 4.00 lakh per month	Upto ₹ 4.00 lakh per month	Upto ₹ 4.00 lakh per month
Bonus	-	-	-
Perquisite/ Benefits	Nil	Nil	Nil
Commission:	Nil	Nil	Nil
Compensation/ remuneration paid during the F.Y. 2023-24	₹ 20.00 Lakh	₹ 20.00 Lakh	₹ 20.00 Lakh

### SITTING FEES PAYABLE TO EXECUTIVE DIRECTORS



Till date, our Company has not paid any sitting fees to any of the Executive Directors or Independent Directors for attending any of the Board or Committee Meetings.

### SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Dr. Safalta S Gupta	Nil	Chairperson & Independent Director
2.	Mr. Rajiv Shankarankutty Menon	17,12,000	Managing Director
3.	Mr. Manav Bahri	17,12,000	Whole Time Director & CEO
4.	Mr. Sujit K Sugathan	17,68,000	Whole Time Director & CFO
5.	Mr. Suresh Ayyappankutty	Nil	Non-Executive Director
6.	Mr. Devanutosh Kothari	Nil	Independent Director

### INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances Provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

#### Interest in promotion of Our Company

Except Promoters, none of our directors have any interest in the promotion of our Company.

#### Interest in the business of Our Company

Except as stated under “Annexure –X-Restated Related Party Transactions” under Chapter titled “Restated Financial Information” beginning on page 177 of the Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which our directors are interested directly or indirectly.

The Executive Director is interested in the extent of remuneration paid to them for services rendered to the company and also payment of interest on unsecured loan and lease rent.

### CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of Director	Date of Event	Nature of Event	Reason for the changes
Mr. Devanutosh Kothari	July 19, 2024	Change in Designation	He has been regularize as an Independent Director of the company
Mr. Devanutosh Kothari	July 18, 2024	Appointment	He has been appointed as an Additional Independent Director of the company

Name of Director	Date of Event	Nature of Event	Reason for the changes
Mr. Bibhasendu Mohapatra	June 24, 2024	Cessation	He has been Resigned as a Director of the company u/s 168 due to preoccupation
Mr. Rajiv Shankarankutty Menon	January 19, 2024	Change in Designation	His Designation was changed to Managing Director of the Company.
Mr. Manav Bahri	January 19, 2024	Change in Designation	His Designation was changed to Whole Time Director of the Company.
Mr. Sujit K Sugathan	January 19, 2024	Change in Designation	His Designation was changed to Whole Time Director of the Company.
Mr. Suresh Ayyappankutty	January 19, 2024	Change in Designation	He has been regularize as Non- Executive Director of the company.
Mr. Bibhasendu Mohapatra	January 19, 2024	Change in Designation	He has been regularize as an Independent Director of the company.
Dr. Safalta S Gupta	January 19, 2024	Change in Designation	She has been regularize as an Independent Director of the company.
Mr. Suresh Ayyappankutty	January 17, 2024	Appointment	He has been appointed as an Additional Non-Executive Director of the company.
Mr. Bibhasendu Mohapatra	January 17, 2024	Appointment	He has been appointed as an Additional Independent Director of the company.
Dr. Safalta S Gupta	January 17, 2024	Appointment	She has been appointed as an Additional Independent Director of the company.

## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Red Herring Prospectus , as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good corporate governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including a woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Composition of Board of Directors

Currently our Board consists of 6 (six) directors and out of them three Directors are Executive Directors.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Status	DIN
1	Dr. Safalta S Gupta	Chairman & Independent Director	Non-Executive	10468828
2	Mr. Rajiv Shankarankutty Menon	Managing Director	Executive	01958636
3	Mr. Manav Bahri	Whole Time Director & CEO	Executive	01959472
4	Mr. Sujit K Sugathan	Whole Time Director & CFO	Executive	01959364
5	Mr. Suresh Ayyappankutty	Non- Executive Director	Non-Executive	10469077
6	Mr. Devanutosh Kothari	Independent Director	Non-Executive	09133988

## **Constitution of Committees**

Our company has constituted the following Committees of the Board:

### **1. Audit Committee**

### **2. Stakeholders Relationship Committee**

### **3. Nomination and Remuneration Committee**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

#### **1. Audit Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 20, 2024 re-constituted Audit Committee.

The constitution of the Audit Committee is as follows:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Dr. Safalta S Gupta	Independent Director	Chairperson
Mr. Devanutosh Kothari	Independent Director	Member
Mr. Sujit K Sugathan	Whole Time Director & CFO	Member

Company Secretary and Compliance officer shall act as the secretary of the Committee.

#### **Terms of Reference**

The Role of Audit Committee not limited to but includes: -

- i. Oversight of financial reporting process and the disclosure of the financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- iii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- iv. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors 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.
- v. Approval or any subsequent modification of transactions of the Company with related party;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof; Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the

Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;

- vi. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Scrutiny of Inter-corporate loans and investments;
- viii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- ix. Reviewing and discussing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- x. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- xi. Valuation of undertakings or assets of the company, where ever it is necessary;
- xii. Evaluation of internal financial controls and risk management systems and reviewing with the management, performance of statutory & internal auditors, and adequacy of the internal control systems;
- xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and discussion with internal auditors of any significant findings and follow up there on;
- xiv. 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;
- xv. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- xvi. 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;
- xvii. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
- xviii. Carrying out any other function as assigned by the Board of Directors & other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

#### **Review of Information**

- i. Management discussion and analysis of financial condition and results of operations.
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Internal Auditor, and
- v. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable.
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice

#### **Powers of Committee**

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and

iv. To secure attendance of outsiders with relevant expertise, if it is necessary.

### Quorum and Meetings

The audit committee shall meet as often as necessary subject to minimum 4 times in financial years. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Directors shall present at the Meeting.

### 2. Stakeholders Relationship Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 20, 2024 re-constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Devanutosh Kothari	Independent Director	Chairperson
Dr. Safalta S Gupta	Independent Director	Member
Mr. Suresh Ayyappankutty	Non-Executive Director	Member

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

### Terms of Reference

To supervise and ensure;

- i. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committees from time to time.

### Quorum and Meetings

The Stakeholders Relationship Committee shall meet at least once in the financial year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

### 3. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 20, 2024 re-constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Devanutosh Kothari	Independent Director	Chairperson
Dr. Safalta S Gupta	Independent Director	Member
Mr. Suresh Ayyappankutty	Non-Executive Director	Member

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

### Terms of reference

Role of Nomination and Remuneration Committee not limited to but includes: -

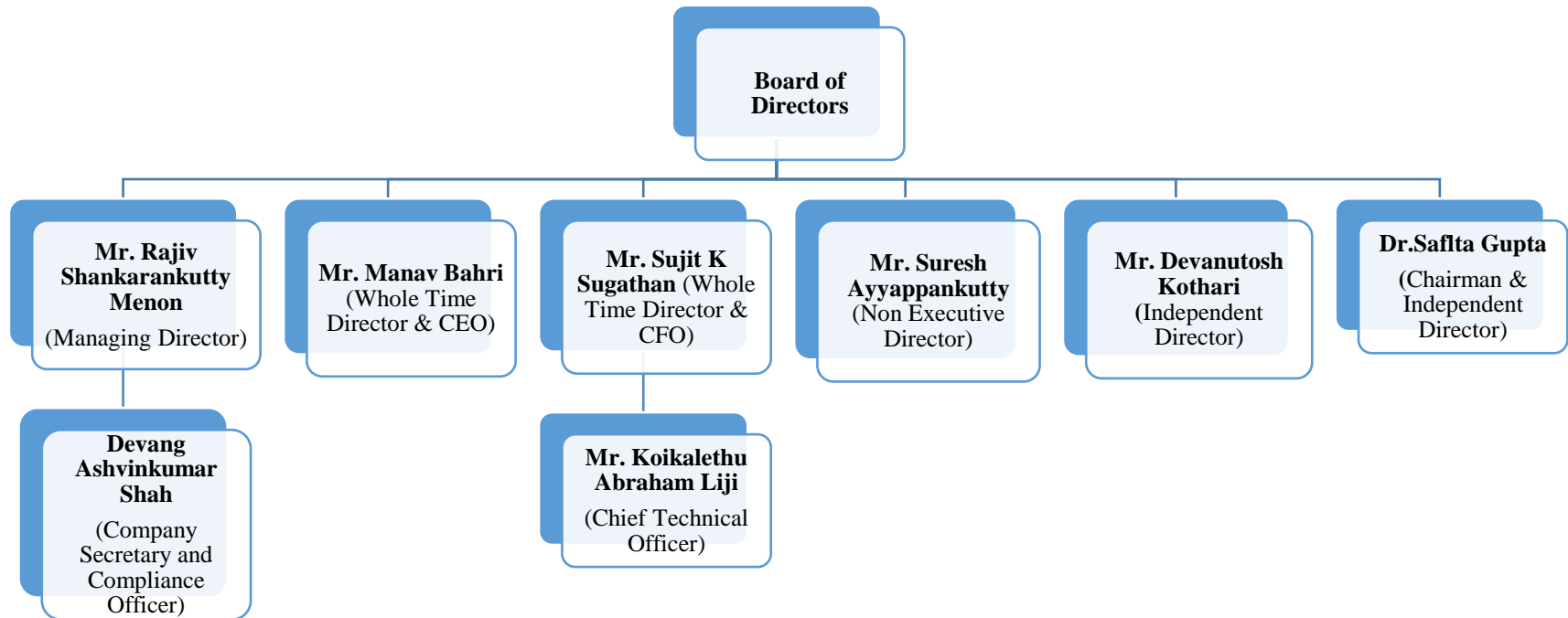
- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) Consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iv. devising a policy on diversity of board of directors;
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- vi. 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.
- vii. recommend to the board, all remuneration, in whatever form, payable to senior management;
- viii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

#### **Quorum and Meetings**

The Committee is required to meet at least once in the financial year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher, including atleast 1 (one) Independent Director in attendance.

## MANAGEMENT ORGANISATION CHART

The Management Organization Structure of the company is depicted from the following charts:



### OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company other than our Executive Directors are as follows:

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2023-24 (₹ in Lakhs)
<b>Company Secretary and Compliance Officer</b>				
<b>Name</b>	Mr. Devang Ashvinkumar Shah	Company Secretary & Compliance Officer (Professional)	Yashnand Engineers and Contractors Private Limited	₹ 2.40 Lakh
<b>Date of Appointment</b>	January 17, 2024			
<b>Overall Experience</b>	He has experience for more than 5 years in the field of Secretarial and Compliance Management.			

### OUR SENIOR MANAGEMENT PERSONNEL

The Senior Managerial Personnel of our Company other than our Executive Directors are as follows:

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2023-24 (₹ in Lakhs)
<b>Chief Technical Officer</b>				
<b>Name</b>	Mr. Koikalethu Abraham Liji	Hold the degree of Master of Business Administration and Diploma in Mechanical Engineering from Board of Technical Examination	N.A	₹ 21.43 Lakhs
<b>Date of Appointment</b>	February 01, 2024			
<b>Overall Experience</b>	He is having experience of more than 25 years in the Technical relating to Oil & gas Industry.			

### BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL/ SENIOR MANAGEMENT PERSONNEL

Currently, our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel/Senior Management Personnel. In future, discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Key Managerial Personnel/Senior Management Personnel, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

### CHANGES IN THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel and Senior Management Personnel in the last three years preceding the date of filing this Red Herring Prospectus, otherwise than by way of retirement in due course.

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes
Mr. Rajiv Shankarankutty Menon	January 17, 2024	Appointment	Appointed as Managing Director of the Company.
Mr. Manav Bahri	January 17, 2024	Appointment	Appointed as Whole Time Director & CEO of the Company.
Mr. Sujit K Sugathan	January 17, 2024	Appointment	Appointed as Whole Time Director CFO of the Company.
Mr. Devang Ashvinbhai Shah	January 17, 2024	Appointment	Appointed as Company Secretary and Compliance Officer.
Mr. Koikalethu Abraham Liji	February 01, 2024	Appointment	Appointed as Chief Technical Officer of the company



## EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Red Herring Prospectus, our company does not have any ESOP Scheme for its employees.

## RELATIONSHIP BETWEEN KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

There is not any existing relationship between Key Management Personnel and Senior Management Personnel as on date of filing Red Herring Prospectus.

## PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years, our Company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

Notes:

- All the key managerial personnel mentioned and Senior Management Personnel above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel and Senior Management Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- Except as disclosed below, none of our Key Managerial Personnel and Senior Management Personnel has entered into any service contracts with our Company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company.

Vide Board Resolution dated January 17, 2024 our Managing Director Mr. Rajiv Shankarankutty Menon and Whole-Time Directors & CEO Mr. Manav Bahri and Whole Time Director & CFO Mr. Sujit K Sugathan were appointed for a term of 3 years with the following terms and conditions and the same was approved by the Shareholders in the Special Resolution dated January 19, 2024.

Name of the Directors	Remuneration	Perks	Remuneration paid in the FY 2023-24
Mr. Rajiv Shankarankutty Menon	Up to ₹ 4 lakhs per month	Nil	₹ 20.00 Lakh
Mr. Manav Bahri	Up to ₹ 4 lakhs per month	Nil	₹ 20.00 Lakh
Mr. Sujit K Sugathan	Up to ₹ 4 lakhs per month	Nil	₹ 20.00 Lakh

## SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT PERSONNEL


Except as disclosed below, none of the Key Managerial Personnel and Senior Management Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.


Sr. No.	Name of Key Management Personnel	No. Equity Shares held	Category/ Status
1.	Mr. Rajiv Shankarankutty Menon	17,12,000	Managing Director
2.	Mr. Manav Bahri	17,12,000	Whole Time Director & CEO
3.	Mr. Sujit K Sugathan	17,68,000	Whole Time Director & CFO
4.	Mr. Koikalethu Abraham Liji	80,000	Chief Technology Officer
5.	Mr. Devang Ashvinkumar Shah	Nil	Company Secretary and Compliance Officer

### OUR PROMOTERS AND PROMOTER GROUP

Promoters of our Company are Mr. Sujit K Sugathan, Mr. Rajiv Shankarankutty Menon and Mr. Manav Bahri. For details of the Capital build-up of our Promoters, see chapter titled “*Capital Structure*” beginning on page no. 61 of this Red Herring Prospectus.


The details of our Promoters are as follows:

	<b>Mr. Sujit K Sugathan</b> Mr. Sujit K Sugathan, aged 41 years is Whole Time Director & CFO of the Company. He holds the degree of Bachelor of Engineering (B.E) in Electrical Branch from Gujarat University in the year 2004 and Master of Business Administration (Oil & Gas Management) from the University of Petroleum and Energy Studies, Dehradun in the year 2005. He has an experience of more than 15 years in the Oil & Gas Industry. He look efficiently companies overall financial related activities of the company.
<b>Date of Birth</b>	May 21, 1982
<b>Age</b>	41 years
<b>PAN</b>	BARPS9935A
<b>Educational Qualification</b>	He holds the degree of Bachelor of Engineering (B.E) in Electrical Branch from L.D. College of Engineering, Gujarat University since 2004 and Master of Business Administration (Oil & Gas Management) from the University of Petroleum and Energy Studies, Dehradun since 2005.
<b>Present Residential Address</b>	Plot No: 204/2, Latha Nivas, opp. Inquiry Office Sector 6 B Gandhinagar, Mansa, Gujarat 382006.
<b>Position/posts held in the past</b>	He was appointed as Chairman and Director under Promoter Category since incorporation of the company i.e. February 15, 2008.
<b>Directorship held</b>	Sairama Infra energy Private Limited Positron Ventures Private Limited Positron Gas Limited
<b>Other Ventures</b>	Nil

	<b>Mr. Rajiv Shankarankutty Menon</b> Mr. Rajiv Shankarankutty Menon aged 44 years is Managing Director of the company. He holds the degree of Bachelor of Commerce (B.com) from Sardar Patel University, Gujarat in the year 2000. He is having an experience of more than 15 years in Oil & Gas Industry. He has been one of the guiding force behind the growth and business strategy of our Company.
<b>Date of Birth</b>	May 08, 1979
<b>Age</b>	44 years
<b>PAN</b>	AKPPM7099G
<b>Educational Qualification</b>	He holds the degree of Bachelor of Commerce (B.com) from Sardar Patel University since 2000.
<b>Present Residential Address</b>	B-5/101, La Habitat, Opp Shukan Bangalows, Off S.G. Highway, Thaltej, Ahmedabad, Gujarat-380054
<b>Position/posts held in the past</b>	He was appointed as Chairman and Executive Director under Promoter Category since incorporation of the company i.e. February 15, 2008.
<b>Directorship held</b>	Sairama Infra energy Private Limited Positron Ventures Private Limited

	Positron Gas Limited Troika Infra Energy Private Limited*
<b>Other Ventures</b>	Nil

\*Designated as Nominee Director on the Board of Director of the Company

	<b>Mr. Manav Bahri</b> Mr. Manav Bahri, aged 47 years is Whole Time Director & CEO of the company. He Holds the degree of Bachelor of Technology in Civil Engineering from Himachal Pradesh University in the year 1998 and Post Graduate Diploma in Management (Dual Specialisation) from Symbiosis Institute of Management Studies in the year 2000. He is having an experience of more than 15 years in Oil & Gas Industry. He currently looks into the overall operation of the company.
<b>Date of Birth</b>	March 28, 1976
<b>Age</b>	47 years
<b>PAN</b>	AGKPB0572C
<b>Educational Qualification</b>	He Holds the degree of Bachelor of Technology in Civil Engineering from National Institute of Technology, Hamirpur, Himachal Pradesh University since 1998 and Post Graduate Diploma in Management (Dual Specialisation) from Symbiosis Institute of Management Studies since 2000.
<b>Present Residential Address</b>	House No. SD-334, Tower Apartments, Pitampura, Saraswati Vihar, North West Delhi-110034.
<b>Position/posts held in the past</b>	He was appointed as an Executive Director under Promoter category since incorporation of the company i.e. February 15, 2008.
<b>Directorship held</b>	Sairama Infra Energy Private Limited Positron Ventures Private Limited Positron Gas Limited
<b>Other Ventures</b>	Nil

## DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account number, passport number, Aadhar card number and Driving Licence number of our Promoters are being submitted to the National Stock Exchange of India Limited on which the specified securities are proposed to be listed along with filing of this Red Herring Prospectus with the Stock Exchange.

## CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS

There has been no change in control or management of the Issuer since incorporation.

## INTEREST OF OUR PROMOTERS

### Interest in promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

### Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company three years prior to filing of this Red Herring Prospectus.

### Interest as member of Our Company

Our Promoters jointly hold 51,92,000 Equity Shares aggregating to 93.51 % of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to Mr. Sujit K Sugathan, Mr. Rajiv Shankarankutty Menon and Mr. Manav Bahri given in the chapter titled “Our Management” beginning on page 157 of this Red Herring Prospectus, our Promoters hold no other interest in our Company.

**Interest as Director of Our Company**

Except as stated in “Annexure – X - Restated Related Party Transactions” under section “Restated Financial Information” beginning from page. 177 of this Red Herring Prospectus our Promoters / Directors may be deemed to be interested to the extent of compensation, remuneration/ sitting fees to be paid, perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointments and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoters do not have any other interest in our business.

Further, our Promoters/Directors may be deemed to be interested in the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “Annexure – X - Restated Related Party Transactions” under section “Restated Financial Information” beginning from page 177 of this Red Herring Prospectus.

**PAYMENT OF BENEFITS TO OUR PROMOTERS**

Except as stated in the section “Annexure – X - Restated Related Party Transactions” under section “Restated Financial Information” beginning from page 177 of this Red Herring Prospectus, there has been no payment of benefits made to our Promoters or promoter group in the two years preceding the filing of this Red Herring Prospectus. Further, our Company may enter into a transaction with or make payment of benefit to the Promoters, Directors or Promoters’ Group, towards remunerations as decided by the Board of Directors.

**GUARANTEES**

Except as stated in the section under section "Related Financial Information" beginning on page 177 of this Red Herring Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Red Herring Prospectus.

**CONFIRMATIONS**

Our Company and Promoters confirmed that they have not been declared as wilful defaulters or Fraudulent Borrowers or by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, Promoter group or directors have not been directly or indirectly debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, Promoter group or directors do not have direct or indirect relation with the companies, its Promoter and whole-time director, which are compulsorily delisted by any recognized stock exchange or the companies which are debarred from accessing the capital market by the Board.

Also, our Promoters or directors are not a fugitive economic offender.

We and Our Promoters, Group Entities, and Companies promoted by the Promoter confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title “Outstanding Litigation and Material Developments” appearing on page. 192 of this Red Herring Prospectus.

**DISASSOCIATION OF PROMOTER IN THE LAST THREE YEAR**

Our Promoters have not disassociated themselves from any Company or Firm during the preceding three years.

**RELATIONSHIP OF PROMOTER WITH EACH OTHER AND WITH OUR DIRECTORS**

None of our Promoters are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

**OUR PROMOTER’ GROUP**

In addition to our Promoters named above, the following individuals and entities form a part of the Promoter’ Group:

**a. Natural persons who are part of our Individual Promoter Group:**

Relationship Promoter	with	Mr. Sujit K Sugathan	Mr. Rajiv Shankarnkutty Menon	Mr. Manav Bahri
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Relationship Promoter with	Mr. Sujit K Sugathan	Mr. Rajiv Shankarankutty Menon	Mr. Manav Bahri
Father	Sugathan Kuttappan	Late Shankarankutty Menon	Satish Chander Bahri
Mother	Latha Sugathan	Vasantha Shankarankutty Menon	Saroj Bahri
Spouse	Annapoorna Sujit	Rachana Rajiv Menon	Rashmi Manav Bahri
Brother/s	NA	NA	NA
Sister/s	Diji Sugathan	Ramani Ranjit Menon	Meenu Duggal
		Rajani Vasan Menon	
Son/s	NA	NA	Radhesh Krishna Bahri
Daughter/s	Dhanishta Sujit	Jhanvi Menon	Gaurvika Bahri
	Thrisha Sujit		
Spouse's Father	Sreedharan Sajeev	Joshi Dhansukh Pranshanker	Surinder Kumar Puri
Spouse's Mother	Krishnakumary Sajeev	Ranjanben Dhansukhlal Joshi	Saroj Puri
Spouse's Brother/s	Aravind Sreedharan Sajeev	NA	NA
Spouse's Sister/s	NA	Sapana Darshan Thaker	Ruchika Arora

**b. Companies related to our Promoter Company: Not Applicable as our Promoters are individuals.**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Not Applicable
Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoter (Body Corporate).	Not Applicable

**c. Companies, Proprietary concerns, HUFs related to our Promoters**

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoter or an immediate relative of the Promoter or a firm or HUF in which Promoter or any one or more of his immediate relatives are a member.	Sairama Infra energy Private Limited Positron Ventures Private Limited Positron Gas Limited
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	NIL
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than twenty percent.	NIL

**d. Person whose shareholding is aggregated under the heading "Shareholding of the Promoters Group"**

Name of Entities / Person
Not Applicable

For further details on our Group Companies refer Chapter titled "Information with respect to Group Companies/Entities" beginning on page. 199 of this Red Herring Prospectus.

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## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared dividend in last three years and during stub period from date of this Red Herring Prospectus.

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**SECTION IX – FINANCIAL STATEMENTS**  
**RESTATED FINANCIAL INFORMATION**

<b>Sr. No</b>	<b>Particulars</b>	<b>Page Nos.</b>
	Restated Consolidated Financial Information	CFS- 1 to CFS- 39

**Independent Auditor’s Examination report on  
Restated Consolidated Financial Information of POSITRON ENERGY LIMITED**

To,  
The Board of Directors  
POSITRON ENERGY LIMITED,  
411, Shukan Mall, Visat Gandhinagar Highway,  
Sabarmati, Ahmedabad

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of POSITRON ENERGY LIMITED (the “Company” or the “Issuer”), comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2024, 2023 and 2022 the Restated Consolidated Statements of Profit and Loss , the Restated Consolidated Cash Flow Statement for the financial year ended on March 31, 2024, 2023 and 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Consolidated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on August 2<sup>nd</sup>, 2024 for the purpose of inclusion in the Red Herring Prospectus / Prospectus (Here-in Offer Documents) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”).
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”)
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Gujarat and the NSE Emerge Exchange in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Consolidated Financial Information. The Board of Directors’ responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Consolidated 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 February 23, 2024 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;



- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Consolidated Financial Information have been compiled by the management from the Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2024, 2023 and 2022 which has been approved by the Board of Directors.
- a) We have not audited the financial statements of the company as at March 31, 2024, 2023 and 2022 which were prepared by the company in accordance with Indian Accounting Standard (Indian GAAP).
  - b) We have relied upon Statutory Audited financial statements of the Company for the financial year ended on March 31, 2024, 2023 and 2022 prepared in accordance with the Indian GAAP (also referred as 'AS') which have been approved by the Board of Directors at their meeting held on July 20, 2024, September 01, 2023, and September 01, 2022 respectively.
6. For the purpose of our examination, we have relied on:
- a) Auditors' Report issued by statutory auditor dated July 20, 2024, September 01, 2023, and September 01, 2022 respectively on the financial statements of the company for the financial year ended on March 31, 2024, 2023 and 2022 as referred in Paragraph 5(b) above

The audit for the Financial year ended as on March 31, 2024 were conducted by the Company's statutory auditors **ABHISHEK KUMAR & ASSOCIATES** Chartered Accountants and for the financial years ended March 31, 2023 and 2022 were conducted by the Company's statutory auditors, **P B P & COMPANY** Chartered Accountants, and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and collectively, the "Restated Financial Information" examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The "**Restated Consolidated Summary Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at and for the financial year ended on March 31, 2024, 2023 and 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more. These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - b) The "**Restated Consolidated Summary Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company as at and for the financial year ended on March 31, 2024, 2023 and 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - c) The "**Restated Consolidated Summary Statement of Cash Flow**" as set out in **Annexure III** to this report,

of the Company as at and for the financial year ended on March 31, 2024, 2023 and 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

- d) The Restated Consolidated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
  - g) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the financial year ended on March 31, 2024, 2023 and 2022 which would require adjustments in this Restated Financial Statements of the Company;
  - i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
  - j) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
  - k) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - l) The company has not proposed any dividend in past effective for the said period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at & for the financial year ended on March 31, 2024, 2023 and 2022 proposed to be included in the Offer Documents.

Annexure No.	Particulars
<b>I.</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
1	Restated Statement of Share Capital
2	Restated Statement of Reserves & Surpluses
3	Restated Statement of Long-Term Borrowings
4	Restated Statement of Long-term provision
5	Restated Statement of Deferred Tax Liabilities
6	Restated Statement of Short-Term Borrowing
7	Restated Statement of Trade Payables

Annexure No.	Particulars
8	Restated Statement of Other Current Liabilities
9	Restated Statement of Short-Term Provisions
10	Restated Statement of Property Plants & Equipment's
11	Restated Statement of Non-Current Investments
12	Restated Statement of Non-Current Assets
13	Restated Statement of Inventories
14	Restated Statement of Trade Receivable
15	Restated Statement of Cash & Cash Equivalent
16	Restated Statement of Short-Term Loans and Advances
17	Restated Statement of Other-Current Assets
<b>II.</b>	<b>Restated Statement of Profit &amp; Loss</b>
18	Restated Statement of Revenue from operations
19	Restated Statement of Other Income
20	Restated Statement of Purchase of stock in trade
21	Restated Statement of Changes in Inventories of finished goods and work-in-progress
22	Restated Statement of Employees Benefit Expenses
23	Restated Statement of Finance Cost
24	Restated Statement of Depreciation and Amortization expenses
25	Restated Statement of Other Expenses
26	Restated Statement of Exceptional items
<b>Other Annexures:</b>	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Analytical Ratios, As Restated
VII	Statement of Accounting & Other Ratios, As Restated
VIII	Statement of Capitalization, As Restated
IX	Statement of Tax Shelter, As Restated
X	Restated Statement of Related party disclosures
XI	Statement of Dividends
XII	Changes in the Significant Accounting Policies

9. We, M/s. S V J K & Associates., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "**Peer Review Board**" of the ICAI which is valid till November 30, 2026.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For, S V J K & Associates**  
**Chartered Accountants**  
**Firm Reg. No: 135182W**  
**PRC No: 014698**

**Reeturaj Verma**  
**Partner**  
**Membership No: 193591**

**Place: Ahmedabad**  
**Date: 02<sup>nd</sup> August, 2024**  
**UDIN: 24193591BKAFNU7761**

**Annexure -I**  
**RESTATED STATEMENT FOR ASSETS AND LIABILITIES (CONSOLIDATED)**

(₹ In Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I. EQUITY AND LIABILITIES</b>				
<b><u>(1) Shareholder's Funds</u></b>				
(a) Share Capital	1	555.20	34.70	34.70
(b) Reserves & Surplus	2	934.06	532.17	319.75
<b><u>(2) Share application money pending allotment</u></b>				
<b><u>(3) Non-Current Liabilities</u></b>				
(a) Long-Term Borrowings	3	730.67	719.78	346.45
(b) Long-Term Provision	4	7.64	3.43	1.27
(c) Deferred Tax Liabilities (net)	5	-	2.88	2.81
<b><u>(4) Current Liabilities</u></b>				
(a) Short-Term Borrowings	6	297.23	22.04	21.88
<b><u>(b) Trade Payables</u></b>				
(i) Total outstanding dues of micro enterprises and small enterprises	7	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		509.88	747.67	30.61
(c) Other Current Liabilities	8	637.11	413.49	181.37
(d) Short-Term Provisions	9	117.22	0.09	0.06
<b>Total</b>		<b>3,789.02</b>	<b>2,476.25</b>	<b>938.90</b>
<b>II. ASSETS</b>				
<b><u>(1) Non-Current Assets</u></b>				
<b><u>Property, Plant &amp; Equipment &amp; Intangible Assets</u></b>				
(a) Property, Plant & Equipments	10	192.03	205.48	215.60
(i) Property, Plant & Equipments				
(ii) Intangible Assets				
(iii) Capital Work-in-Progress				
(iv) Intangible Assets under Development				
(b) Non-Current Investments	11	-	-	-
(c) Deferred Tax Assets (net)	5	0.46		
(d) Other Non-Current Assets	12	65.30	132.61	33.55
<b><u>(2) Current Assets</u></b>				
(a) Inventories	13	268.62	382.62	102.32
(b) Trade Receivables	14	1,458.06	946.57	166.54
(c) Cash & Bank Balances	15	1,744.72	753.64	380.87
(d) Short-term Loans & Advances	16	39.20	54.27	40.04
(e) Other Current Assets	17	20.63	1.07	-
<b>Total</b>		<b>3,789.02</b>	<b>2,476.25</b>	<b>938.90</b>

As per our report of even date attached  
For S V J K and Associates  
Chartered Accountants  
Firm Reg No. 135182W

For and on behalf of Board of Directors  
Positron Energy Limited

CA Reeturaj Verma  
Partner  
M.No. 193591

Rajiv Menon  
Managing Director  
DIN:01958636

Sujit K Sugathan  
Whole-time Director, CFO  
DIN:01959364

UDIN : 24193591BKAFNU7761

Devang Shah  
Company Secretary

Place: Ahmedabad  
Dated: 2nd August, 2024

Place: Ahmedabad  
Dated: 2nd August, 2024  
CFS - 6

**Annexure -II**  
**RESTATED STATEMENT OF PROFIT AND LOSS (CONSOLIDATED)**

(₹ In Lakhs)

Sr. No.	Particulars	Note No.	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A</b>	<b>Revenue:</b>				
	Revenue From Operations	18	13,473.25	5,142.64	869.04
	Other Income	19	68.51	59.97	27.81
	<b>Total Income</b>		<b>13,541.76</b>	<b>5,202.61</b>	<b>896.85</b>
<b>B</b>	<b>Expenses:</b>				
	Purchases of Stock-in-trade	20	11,345.69	4,572.33	512.87
	Changes in Inventories of Stock-in-trade	21	114.00	(280.30)	(102.32)
	Employee Benefits Expense	22	458.60	292.70	186.20
	Financial Cost	23	57.53	41.87	15.48
	Depreciation & Amortization Expense	24	26.13	31.11	22.44
	Others Expenses	25	350.71	258.17	183.31
	<b>Total Expenses</b>		<b>12,352.67</b>	<b>4,915.88</b>	<b>817.99</b>
<b>C</b>	<b>Profit before Tax Exceptional Items (A-B)</b>		<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
<b>D</b>	Exceptional Items	26	-	-	-
<b>E</b>	<b>Profit Before Extraordinary Items and Tax (C-D)</b>		<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
<b>F</b>	Extraordinary Items		-	-	-
<b>G</b>	Prior Period Items		-	-	-
<b>H</b>	<b>Profit Before Tax (F-G)</b>		<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
<b>I</b>	Tax expense :				
	- Current Tax		305.74	73.85	18.41
	- Deferred Tax Expense		(3.34)	0.08	2.46
	- Income tax relating to earlier year		7.93	-	-
<b>J</b>	<b>Profit/(Loss) for the Period After Tax (C-D)</b>		<b>878.78</b>	<b>212.80</b>	<b>57.98</b>
<b>K</b>	<b>Profit/(Loss) for the period for the Shareholders of the company</b>		<b>878.78</b>	<b>212.80</b>	<b>57.98</b>
<b>L</b>	Earning per Equity Share:				
	(1) Basic		15.83	3.83	1.04
	(2) Diluted		15.83	3.83	1.04

As per our report of even date attached  
For S V J K and Associates  
Chartered Accountants  
Firm Reg No. 135182W

CA Reeturaj Verma  
Partner  
M.No. 193591

UDIN : 24193591BKAFNU7761

Place: Ahmedabad  
Dated: 2nd August, 2024

For and on behalf of Board of Directors  
Positron Energy Ltd

Rajiv Menon                      Sujit K Sugathan  
Managing Director              Whole-time Director, CFO  
DIN:01958636                      DIN:01959364

Devang Shah  
Company Secretary

Place: Ahmedabad  
Dated: 2nd August, 2024

**RESTATED STATEMENT OF CASH FLOW (CONSOLIDATED)**

(₹ In Lakhs)

Particulars	For the Year ended March, 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>			
Profit Before Tax	1,189.09	286.72	78.86
<b>Adjustments for:</b>			
Depreciation & Amortisation Expense	26.13	31.11	22.44
Exceptional Income	-	-	-
Financial Income	(68.51)	(59.97)	(27.81)
Interest Expense (Finance Cost)	57.53	41.87	15.48
Sundry Balance W/Off	-	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>1,204.25</b>	<b>299.74</b>	<b>88.97</b>
<b>Changes in Working Capital</b>			
(a) (Increase)/Decrease in Inventories	114.00	(280.30)	(102.32)
(b) (Increase)/Decrease in Trade Receivables	(467.86)	(780.41)	(73.94)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(4.49)	(15.30)	(12.94)
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	102.96	949.21	49.47
<b>Cash Generated From Operations</b>	<b>948.86</b>	<b>172.93</b>	<b>(50.75)</b>
Net Income tax Paid/Refunded	(313.67)	(73.85)	(18.41)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>635.19</b>	<b>99.09</b>	<b>(69.17)</b>
<b>Cash Flow From Investing Activities:</b>			
(a) Sales / (Addition) in Fixed Assets & WIP	(12.68)	(20.99)	(86.94)
(b) (Increase) / Decrease in Investment	-	-	-
(c) (Increase) / Decrease in Non Current Assets	67.30	(99.06)	(1.09)
(d) Interest and other income	68.51	59.97	27.81
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>123.13</b>	<b>(60.09)</b>	<b>(60.22)</b>
<b>Cash Flow from Financing Activities:</b>			
(a) Increase/(Decrease) in Long Term Borrowings	10.89	373.32	231.65
(b) Increase/(Decrease) in Short Term Borrowings	275.20	0.16	16.87
(c) Issue of Share Capital	-	-	-
(d) Increase / ( Decrease ) in Long Term Provisions	4.21	2.16	0.73
(e) Interest Paid	(57.53)	(41.87)	(15.48)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>232.77</b>	<b>333.77</b>	<b>233.76</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>991.10</b>	<b>372.77</b>	<b>104.38</b>
Cash & Cash Equivalents as at beginning of the period	753.64	380.87	276.49
Cash & Cash Equivalents as at end of the period	<b>1,744.73</b>	<b>753.64</b>	<b>380.87</b>
<b>Components of cash and cash equivalents</b>			
Cash on hand	1.89	1.96	1.76
Balance with Banks			
-In Current Accounts	559.09	179.88	55.79
-Other Bank Balance	1,183.74	571.81	323.32
Total Cash & Cash Equivalents	<b>1,744.72</b>	<b>753.64</b>	<b>380.87</b>

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm Reg No. 135182W

CA Reeturaj Verma  
Partner  
M.No. 193591  
UDIN : 24193591BKAFNU7761

Place: Ahmedabad  
Dated: 2nd August, 2024

For and on behalf of Board of Directors

Positron Energy Ltd

Rajiv Menon                      Sujit K Sugathan  
Managing Director              Whole-time Director, CFO  
DIN:01958636                  DIN:01959364

Devang Shah  
Company Secretary

Place: Ahmedabad  
Dated: 2nd August, 2024

## **POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

[CIN: U01403GJ2008PLC052932]

### **Annexure -IV**

#### **COMPANY OVERVIEW**

POSITRON ENERGY LIMITED (Previously Known as POSITRON ENERGY PRIVATE LIMITED) Company was incorporated in the year 2008 **under chapter IX** of Companies Act, 1956. The Address of its registered office and principal place of business are disclosed in the introduction of the Annual Report. The company is engaged in Management Consultancy, Sale of CBM Gas/Natural Gas and other allied Services and Activities.

#### **A- SIGNIFICANT ACCOUNTING POLICY**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:-**

The accounting principles and policies, recognized as appropriate for measurement and reporting of the financial performance and financial position on accrual basis except as otherwise disclosed, using historical costs (i.e., not taking in to account changing money values impact of inflation) are applied in the preparation of the financial statements and those which are considered materials to the affaires are suitably disclosed. The Financial Statements are in accordance with the requirements of the Companies Act, 2013.

##### **2. USE OF ESTIMATES:-**

The preparation of Financial Statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues & expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known /materialized.

##### **3. INVENTORIES:-**

Stock in trade has been valued at the lower of the cost or net realizable value. The cost has been arrived by applying all direct expenses to the cost of goods to arrive at the landed cost of items. Net realizable value is the estimated selling price in the ordinary course of business; less estimated costs of completion and estimated costs necessarily to make the sale.

##### **4. CASH & CASH EQUIVALENTS:-**

Cash comprises Cash on hand and Demand Deposits with Banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### **5. CASH FLOW :-**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

##### **6. EVENTS OCCURRING AFTER THE BALANCE SHEET :-**

Material events occurring after the balance sheet are considered up to the date of approval of the accounts by the board of directors. There are no substantial events having an impact on the results of the current year Balance Sheet.



**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

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**Annexure -IV****7. PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSET :-****(a) Tangible Assets:**

Property, Plant and Equipment are stated at cost of acquisition or construction and all cost directly attributable to bringing the asset to the present condition for its intended use less accumulated depreciation. All expenditure incurred during the construction period are shown as capital work-in-progress until the assets are ready for intended use.

Additions to the Property, Plant and Equipment have been accounted for on the date of installation and its use irrespective of the date of invoice.

**(b) Intangible Assets:**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**8. DEPRECIATION ON PROPERTY, PLANT AND EQUIPMENT :-**

The Company has provided depreciation on all tangible fixed assets as per the useful life specified in Part 'C' of Schedule II of the Companies Act 2013, Depreciation on tangible Property, Plant and Equipment is computed on written down value method and Depreciation on tangible Property Plant and Equipment under lease and situated at Bokaro Plant is computed on Straight Line method at such rate as computed considering useful life provided in the Schedule - II of the Act. There are no Intangible Fixed Assets in the company. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually.

**9. CAPITAL WORK IN PROGRESS :-**

Capital Work in Progress is carried at cost. Cost comprises direct costs, related incidental expenses and interest on borrowings.

**10. RETIREMENT BENEFITS :-****(i) Short-term employee benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service

**(ii) Post-Employment benefits:**

'Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

[CIN: U01403GJ2008PLC052932]

**Annexure -IV****11. REVENUE RECOGNITION :-**

Revenue from services recognized on rendering of services and on raising of bills to the clients and are recorded net of applicable taxes.

Sale of goods are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales of goods are recorded net of applicable taxes. The Company follows exclusive method of accounting to records purchase, cost of goods sold, sales and closing stock, but there is no effect on the profitability of the company as the method is revenue neutral.

Interest and other income are recognized on accrual basis.

Dividend income is accounted as and when right to receive dividend is established.

Lease income from operating leases where the Company is a lessor is recognized in the statement of profit and loss on a straight line basis over the lease term.

**12. BORROWING COST:-**

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are considered as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest, finance charges & any other cost related incurred in connection with borrowing of funds, which are incurred for the development of long term projects are transferred to Construction Work-In- Progress. All other borrowing costs are recognized as expense in the period in which these are incurred.

**13. EARNING PER SHARE:-**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potentially equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

**14. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**POSITRON ENERGY LIMITED**

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**Annexure -IV****(i) Provisions**

A provision is recognized if, as a result of a past event, the Group has a present legal obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability.

**(ii) Use of Estimate**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known / materialize.

**15. TAXES ON INCOME :-**

Tax Expenses for the year, i.e. Current Tax is included in determining the net profit for the year. A provision is made for the current tax liability computed in accordance with relevant tax rates and tax laws.

**16. DEFERRED TAX-ASSET/LIABILITY:-**

As per the Prudence concept, Deferred Tax Assets are recognized and carried forward only to the extent that there is reasonable certainty of their realization.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

**POSITRON ENERGY LIMITED**

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**Annexure -IV**

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

At each balance sheet date, the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Company has not recognized the deferred tax assets in view of prudence as set out in paragraphs L5 to L8 of "AS 22".

**17. IMPAIRMENT OF ASSETS:-**

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

**POSITRON ENERGY LIMITED**

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**Notes To Restated Financial Information (Consolidated)****NOTE 1: SHARE CAPITAL :****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>AUTHORISED:</b>			
Number of shares	8,000,000	500,000	500,000
Equity Share Capital	800.00	50.00	50.00
80,00,000 Equity Shares of Rs.10/- each			
	<b>800.00</b>	<b>50.00</b>	<b>50.00</b>
<b>ISSUED CAPITAL</b>			
55,52,000 (Previous Year 3,47,000) Equity shares of Rs.10/- each fully paid up	555.20	34.70	34.70
(The Company has raised its capital by the issue of 5205000 Bonus Shares in the ratio of 15:1 i.e 15 (Fifteen) fully paid up equity share of Rs. 10 each for every 10 (Ten) equity shares of Rs. 10- each held as on the record date.)			
	<b>555.20</b>	<b>34.70</b>	<b>34.70</b>
<b>SUBSCRIBED AND PAID UP</b>			
55,52,000(Previous Year 3,47,000) Equity shares of Rs.10/- each fully paid up	555.20	34.70	34.70
	<b>555.20</b>	<b>34.70</b>	<b>34.70</b>

Reconciliation of number of shares outstanding at the end of the year:	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equity Shares at the beginning of the period	347,000	347,000	347,000
Add: Shares issued during the period	-	-	-
Add: Bonus shares issued during the period	5,205,000	-	-
Add: Adjustment on account of split	-	-	-
<b>Equity Shares at the end of the period</b>	<b>5,552,000</b>	<b>347,000</b>	<b>347,000</b>

**Details of Promoter's Shareholding more than 5% of the aggregate shares of the company:**

Particulars	As at 31 March 2024	
	No.	% of Holding
Sujit Sugathan	1,768,000	31.84%
Manav Bahri	1,712,000	30.84%
Rajiv Menon	1,712,000	30.84%
	<b>5,192,000</b>	<b>93.52%</b>

**POSITRON ENERGY LIMITED**

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[CIN: U01403GJ2008PLC052932]

Particulars	As at 31 March 2023	
	No.	% of Holding
Sujit Sugathan	110,500	31.84%
Manav Bahri	107,000	30.84%
Rajiv Menon	107,000	30.84%
	<b>324,500</b>	<b>93.52%</b>

Particulars	As at 31 March 2022	
	No.	% of Holding
Sujit Sugathan	110,500	31.84%
Manav Bahri	107,000	30.84%
Rajiv Menon	107,000	30.84%
<b>Total</b>	<b>324,500</b>	<b>93.52%</b>

**%Change during the period:** During the period there 0.00% change in Promoter's shareholding

**Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of five years immediately preceding the reporting date.**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Equity Shares allotted as fully paid up by way of bonus shares	5,205,000	-	-
(b) Equity Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-
(c) Equity Shares bought back by the Company	-	-	-

**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

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**NOTE 2: RESERVES AND SURPLUS****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Securities Premium Account</b>			
Opening Balance	18.48	18.48	18.48
Add: Addition during the year	-	-	-
Less: Utilised during the year on account of issue of bonus shares #	(18.48)	-	-
	-	<b>18.48</b>	<b>18.48</b>
<b>Capital Subsidy Reserve</b>			
Opening Balance	-	-	-
Addition during the year	-	-	-
	-	-	-
<b>Investment Allowance Reserve</b>			
Opening Balance			
Addition during the year			
<b>Surplus i.e. balance in Statement of Profit and Loss</b>			
<b>Opening Balance</b>	513.69	301.27	275.85
Add: Transferred from statement of profit and loss during the year	878.78	212.80	57.98
Less: Utilised during the year on account of issue of bonus shares #	(502.02)	-	-
Less: Transferred to General Reserve			
Less : Share in additional losses of associated company attributed towards book debts outstanding towards Associate company	-	-	-
Less : Unrealised gain in books debts outstanding towards associates	43.64	(0.38)	(32.56)
	<b>934.08</b>	<b>513.69</b>	<b>301.27</b>
<b>Total</b>	<b>934.06</b>	<b>532.17</b>	<b>319.75</b>

**NOTE 3: LONG TERM BORROWINGS****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>(i) Banks</b>			
(a) Secured-HDFC Bank Term Loan	122.25	144.29	166.30
Less: Current Maturities	24.11	22.04	21.88
	<b>98.14</b>	<b>122.25</b>	<b>144.43</b>
<b>(ii) Unsecured Loans</b>			
(a) Directors	587.53	503.53	153.03
(b) Related parties	-	49.00	49.00
<b>(ii) Inter-Corporate Deposit</b>	45.00	45.00	-
	<b>632.53</b>	<b>597.53</b>	<b>202.03</b>
<b>Total</b>	<b>730.67</b>	<b>719.78</b>	<b>346.45</b>

**POSITRON ENERGY LIMITED**

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**Terms of repayment for loans from banks**

Term loans were secured against the asset under finance. Interest rate was 9.75% p.a. and the loan was repayable in 84 monthly installments starting from 7th May, 2021 and the last installment was due on 15th March, 2025.

**Details of primary and collateral security for term loans**

Term Loan with HDFC Bank is secured against Stock, Debtors, Current Assets, Plant & Machinery and personal guarantee of Directors including FD of Rs. 100 Lacs

**NOTE 4: LONG-TERM PROVISION****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity	7.64	3.43	1.27
<b>Total</b>	<b>7.64</b>	<b>3.43</b>	<b>1.27</b>

**NOTE 5: DEFERRED TAX ASSET/(LIABILITY)****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Liability</b>			
<b>Opening Balance</b>	2.88	2.81	0.35
Impact on WDV of Fixed Assets due to difference in Depreciation As per Income Tax Act and Companies Act	0.53	0.08	2.46
<b>Deferred Tax Asset</b>			
Impact of expenditure charged to the statement of profit and loss	3.87	-	-
In the current year but allowable for tax purposes on payment basis	-	-	-
<b>Total</b>	<b>(0.46)</b>	<b>2.88</b>	<b>2.81</b>



**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

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**NOTE 6: SHORT TERM BORROWINGS****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>			
<b>(i) Loans Repayable on Demand</b>			
HDFC Bank Ltd (Cash Credit/OD)	273.13	-	-
(Working Capital loans are Secured by hypothecation of present and future raw materials, work in progress, finished goods, Stores and spaires and book debts of the company and charge on the existing immovable properties of the guaranteed by directors, fixed deposit) Rate of Interest :- Interest at the rate of 0.47 % margin above the MCLR which is presently 9.15 % p.a. Present effective rate 9.62 % p.a. calculated on daily products at monthly rests.)			
Current Maturity of Long Term borrowings	24.11	22.04	21.88
<b>Total</b>	<b>297.23</b>	<b>22.04</b>	<b>21.88</b>

**NOTE 7: TRADE PAYABLES****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Trade Payables:-</b>			
a) Total outstanding dues of micro enterprises and small enterprises	-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	509.88	747.67	30.61
<b>Total</b>	<b>509.88</b>	<b>747.67</b>	<b>30.61</b>

**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

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**6a. Trade Payable due for payment****As at March, 2024****(₹ In Lakhs)**

Particulars	Outstanding for the following period from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(a) MSME	-	-	-	-	-
(b) Others	509.88	-	-	-	<b>509.88</b>
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>509.88</b>	-	-	-	<b>509.88</b>

**As at March 31, 2023****(₹ In Lakhs)**

Particulars	Outstanding for the following period from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(a) MSME	-	-	-	-	-
(b) Others	745.84	1.84	-	-	<b>747.67</b>
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>745.84</b>	<b>1.84</b>	-	-	<b>747.67</b>

**As at March 31, 2022****(₹ In Lakhs)**

Particulars	Outstanding for the following period from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(a) MSME	-	-	-	-	-
(b) Others	30.61	-	-	-	<b>30.61</b>
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>30.61</b>	-	-	-	<b>30.61</b>

**NOTE 8: OTHER CURRENT LIABILITIES**

(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Security Deposit	-	75.00	75.00
Statutory Dues Payables	92.25	8.32	13.10
Due to Employees	35.96	32.07	24.08
Due to Director against Salary & Expenses	97.46	61.64	48.11
Advance from Customers	350.54	217.31	-
Payable for Expenses	60.16	19.15	21.09
Bank Term Loan (Accrued Interest but not paid)	0.73		
<b>Total</b>	<b>637.11</b>	<b>413.49</b>	<b>181.37</b>

**NOTE 9: SHORT TERM PROVISION**

(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity	0.08	0.09	0.06
Provision for Taxation (Net of Advance Tax)	117.13	-	-
<b>Total</b>	<b>117.22</b>	<b>0.09</b>	<b>0.06</b>

**NOTE 11 : NON-CURRENT INVESTMENTS**

(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Investments in Equity Shares of Positron Gas Ltd (At Cost)</b>	1.37	1.37	1.37
13,675 Equity Shares of Rs. 10 Each fully paidup (The no of shares comprising of 27.35% stake in Total share capital of the company)			
Less: Loss/(profit) for the shares	(1.37)	(1.37)	(1.37)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTE 12 : NON-CURRENT ASSETS**

(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Other Non Current Assets</b>			
Advance for Capital Asset	42.17	42.17	21.08
Income Tax/TDS	-	7.06	7.06
	<b>42.17</b>	<b>49.23</b>	<b>28.15</b>
<b>Security Deposits</b>			
<b>Unsecured, Considered Good</b>			
Rent Deposit	5.00	3.53	3.76
Earnest Money Deposit	1.09	1.09	1.09
CST/VAT (For Security Deposit)	0.76	0.76	0.30
Security Deposits with Vendors	4.43	69.46	-
Projects Retention Money	11.66	8.29	-
CDSL	0.10	-	-
Other Deposit	-	0.24	0.24
NSDL	0.10	-	-
	<b>23.14</b>	<b>83.38</b>	<b>5.40</b>
<b>Total</b>	<b>65.30</b>	<b>132.61</b>	<b>33.55</b>

**NOTE 13: INVENTORIES**

(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Stock in Trade:</b>			
CNG Kit Equipments	-	68.21	102.32
Consumable Stores	30.74	-	-
WIP	26.10	-	-
Natural Gas	211.78	314.41	-
(Valued at Lower of Cost or Net Realizable Value)			
<b>Total</b>	<b>268.62</b>	<b>382.62</b>	<b>102.32</b>

**NOTE 14: TRADE RECEIVABLES**

(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered Good :			
Outstanding for a period exceeding six months from the date they were due for payment	11.63	85.70	4.83
Other debts (Outstanding for a period less than six months)	1,454.08	903.15	203.60
Less : Allowance for doubtful receivables	(7.66)	-	-
Less : Share in additional losses of associated company attributed towards book debts outstanding towards Associate company	-	(5.84)	(5.84)
Less : Unrealised gain in books debts outstanding towards associates	-	(36.44)	(36.05)
<b>Total</b>	<b>1,458.06</b>	<b>946.57</b>	<b>166.54</b>

**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

[CIN: U01403GJ2008PLC052932]

**As at March 31, 2024****(₹ In Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(a) Undisputed Trade Receivables - Considered Good	1,454.08	0.70	8.34	-	2.59	1,465.72
(b) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(d) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,454.08</b>	<b>0.70</b>	<b>8.34</b>	<b>-</b>	<b>2.59</b>	<b>1,465.72</b>

**As at March 31, 2023****(₹ In Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(a) Undisputed Trade Receivables - Considered Good	903.15	79.35	5.08	-	1.27	988.84
(b) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(d) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>903.15</b>	<b>79.35</b>	<b>5.08</b>	<b>-</b>	<b>1.27</b>	<b>988.84</b>

**As at March 31, 2022****(₹ In Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(a) Undisputed Trade Receivables - Considered Good	203.60	0.20	3.18	-	1.45	208.43
(b) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(d) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>203.60</b>	<b>0.20</b>	<b>3.18</b>	<b>-</b>	<b>1.45</b>	<b>208.43</b>

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**NOTE 15: CASH AND BANK BALANCES****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>(i) Cash and Cash Equivalents</b>			
<b>Cash on Hand</b>	1.89	1.96	1.76
<b>Balance with Banks</b>			
-In Current Accounts			
HDFC Bank OD A/C	-	15.01	21.67
HDFC Bank Current A/C	559.09	164.87	34.03
ICICI Bank Current A/C	-	-	0.10
Kotak Mahindra Bank	-	-	-
	-	-	-
<b>(ii) Other Bank Balances</b>	-	-	-
Earmarked balances in Fixed Deposits against BG	1,183.74	571.81	323.32
<b>Total</b>	<b>1,744.72</b>	<b>753.64</b>	<b>380.87</b>

**NOTE 16: SHORT TERM LOAN AND ADVANCES****(₹ In Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered Good:</b>			
Loans & Advances to Suppliers	39.20	5.28	2.88
Loans & Advances to Employees	-	0.36	0.19
Balance with Government Authorities	-	48.63	36.97
<b>Total</b>	<b>39.20</b>	<b>54.27</b>	<b>40.04</b>

**NOTE 17: OTHER CURRENT ASSETS**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Prepaid Expenses	1.68	1.07	-
Security Deposit(retention Money)	18.95	-	-
<b>Total</b>	<b>20.63</b>	<b>1.07</b>	<b>-</b>

**POSITRON ENERGY LIMITED**

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**NOTE 10: PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS**

(₹ In Lakhs)

Particulars	Property, plant and equipments							Total
	Plant & Equipment	Furniture & Fixtures	Office Equipment	Electricals Installations & Equipment	Computers & Data Processing Units	Building	Land	
<b>Gross Carrying amount as at 31st March, 2021 (A)</b>	<b>128.78</b>	<b>21.82</b>	<b>5.29</b>	<b>0.10</b>	<b>5.98</b>	<b>7.22</b>	<b>18.20</b>	<b>187.38</b>
Additions	86.52	-	0.42	-	-	-	-	86.94
Disposals/Deletions	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31st March, 2022 (B)</b>	<b>215.30</b>	<b>21.82</b>	<b>5.71</b>	<b>0.10</b>	<b>5.98</b>	<b>7.22</b>	<b>18.20</b>	<b>274.31</b>
Additions	18.48	0.48	-	-	2.04	-	-	20.99
Disposals/Deletions	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31st March, 2023 (C)</b>	<b>233.78</b>	<b>22.29</b>	<b>5.71</b>	<b>0.10</b>	<b>8.01</b>	<b>7.22</b>	<b>18.20</b>	<b>295.31</b>
Additions	5.58	-	0.64	5.40	1.06	-	-	12.68
Disposals/Deletions	-	-	-	-	-	-	-	-
<b>Gross Carrying amount as at 31st March, 2024 (D)</b>	<b>239.36</b>	<b>22.29</b>	<b>6.35</b>	<b>5.50</b>	<b>9.07</b>	<b>7.22</b>	<b>18.20</b>	<b>307.99</b>
<b>Accumulated Depreciation as at 31st March, 2021 (E)</b>	<b>15.96</b>	<b>8.86</b>	<b>4.41</b>	<b>0.02</b>	<b>4.10</b>	<b>2.92</b>	<b>-</b>	<b>36.28</b>
Depreciation for the year	21.56	3.33	0.33	0.02	1.10	0.21	-	26.54
Disposals/Deletions	4.10	-	-	-	-	-	-	4.10
<b>Accumulated Depreciation as at 31st March, 2022 (F)</b>	<b>33.42</b>	<b>12.19</b>	<b>4.74</b>	<b>0.04</b>	<b>5.20</b>	<b>3.13</b>	<b>-</b>	<b>58.72</b>
Depreciation for the year	26.79	2.51	0.35	0.02	1.24	0.20	-	31.11
Disposals/Deletions	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at 31st March, 2023 (G)</b>	<b>60.21</b>	<b>14.70</b>	<b>5.09</b>	<b>0.05</b>	<b>6.44</b>	<b>3.33</b>	<b>-</b>	<b>89.82</b>
Depreciation for the year	21.50	1.94	0.31	0.96	1.24	0.19	-	26.13
Disposals/Deletions	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at 31st March, 2024 (H)</b>	<b>81.70</b>	<b>16.64</b>	<b>5.40</b>	<b>1.01</b>	<b>7.68</b>	<b>3.52</b>	<b>-</b>	<b>115.96</b>
<b>Net Carrying amount as at 31st March, 2022 (B)-(F)</b>	<b>181.88</b>	<b>9.63</b>	<b>0.97</b>	<b>0.06</b>	<b>0.78</b>	<b>4.08</b>	<b>18.20</b>	<b>215.60</b>
<b>Net Carrying amount as at 31st March, 2023 (C)-(G)</b>	<b>173.57</b>	<b>7.59</b>	<b>0.62</b>	<b>0.05</b>	<b>1.57</b>	<b>3.88</b>	<b>18.20</b>	<b>205.48</b>
<b>Net Carrying amount as at 31st March, 2024 (D)-(H)</b>	<b>157.65</b>	<b>5.66</b>	<b>0.95</b>	<b>4.49</b>	<b>1.39</b>	<b>3.69</b>	<b>18.20</b>	<b>192.03</b>

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**NOTE 18: REVENUE FROM OPERATIONS****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>SALE OF PRODUCTS (A)</b>			
<b>(a) Sale of Goods</b>			
Sale & Supply of Goods - CBM Gas	326.07	713.03	427.70
Sale & Supply of Goods - Natural Gas	11,374.57	3,869.17	-
Sale & Supply of Goods - LNG Duel Fuel Kit	-	42.37	-
	-	-	-
<b>(b) Sale of Services</b>			
Management Consultancy Fees - Domestic	1,772.61	515.81	369.33
Erection and Commissioning income	-	-	72.00
Other Services	0.00	2.26	-
<b>Total</b>	<b>13,473.25</b>	<b>5,142.64</b>	<b>869.04</b>

**NOTE 19: OTHER INCOME****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest Income on FDR & Others	60.73	20.90	6.76
Interest on Income Tax Refund	1.11	1.63	0.05
Lease Rent Income - Land & Building	-	1.44	0.60
Lease Rent Income - Plant & Machinery	-	36.00	20.40
Short Term Capital Gain	-	-	-
Other Income	6.67	-	-
<b>Total</b>	<b>68.51</b>	<b>59.97</b>	<b>27.81</b>

**NOTE 20: PURCHASES OF STOCK-IN-TRADE****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Purchases of Stock-in-Trade	11,345.69	4,572.33	512.87
<b>Total</b>	<b>11,345.69</b>	<b>4,572.33</b>	<b>512.87</b>



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**NOTE 21: CHANGES IN INVENTORIES OF STOCK-IN-TRADE****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Inventories at the end of the period</b>			
Stock-in-trade	268.62	382.62	102.32
	<b>268.62</b>	<b>382.62</b>	<b>102.32</b>
<b>Inventories at the beginning of the period</b>			
Stock-in-trade	382.62	102.32	
	<b>382.62</b>	<b>102.32</b>	-
<b>Net Decrease/(Increase)</b>	<b>114.00</b>	<b>-280.30</b>	<b>-102.32</b>

**NOTE 22: EMPLOYEE BENEFITS EXPENSE****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries and wages	439.04	274.39	182.99
Gratuity Expense	4.21	2.19	0.76
Contribution to provident and other funds	14.56	11.15	2.29
Staff welfare expense	0.79	4.98	0.17
<b>Total</b>	<b>458.60</b>	<b>292.70</b>	<b>186.20</b>

**NOTE 23: FINANCE COST****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense			
-On Borrowings from Banks	12.87	13.25	10.98
-On Borrowings from Others	4.52	0.88	
Other Borrowing Costs	40.14	27.74	4.51
<b>Total</b>	<b>57.53</b>	<b>41.87</b>	<b>15.48</b>

**NOTE 24: DEPRECIATION & AMORTIZATION EXPENSE****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of Property, Plant & Equipments	26.13	31.11	22.44
<b>Total</b>	<b>26.13</b>	<b>31.11</b>	<b>22.44</b>

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**NOTE 25: OTHER EXPENSES****(₹ In Lakhs)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Conveyance & Petrol Expense	49.77	12.35	8.89
Courier Expense	0.75	0.77	0.36
Electricity Expense	2.69	1.94	1.68
EPF Admin & Other Charges	0.64	0.74	0.21
General Expense	0.57	0.97	5.26
Legal & Professional Expense	39.92	14.22	15.10
Guest House Expense	-	1.62	-
Insurance Expense	2.95	1.79	2.48
Professional Tax Expense	-	-	0.07
Project Expense	48.47	7.52	10.12
GST Reversal on Input Expense	79.09	46.14	-
Lodging & boarding Expense	-	4.19	0.12
Municipal/Professional Taxes	0.79	0.69	0.40
Office Expense	8.70	5.42	3.99
Demate account Charges	-	-	0.02
Rent Expense	21.37	11.41	13.11
Foreign Exchange Fluctuation Gain/Loss	-	-	1.83
EDP Expense	-	0.74	0.35
Printing & Stationery Expense	1.56	1.71	1.20
Professional Fees to Directors	63.06	126.12	112.05
Repairs & Maintainace Expense	0.25	3.12	0.39
Transportation & Freight Expense	0.71	1.25	-
Telephone & Mobile Expense	0.77	0.53	0.34
Travelling Expense	10.31	12.11	3.34
<b>Auditor's Remuneration</b>			
For Audit Fees	0.60	1.30	1.30
For Other Services	-	0.70	0.70
Business Promotion Expenses	-	0.81	-
LNG Kit Research & Development Expenses	10.51	-	-
Computer and Software Expenses	0.77	-	-
Registration Fees	0.73	-	-
Bad Debts - W/off	5.73	-	-
<b>Total</b>	<b>350.71</b>	<b>258.17</b>	<b>183.31</b>

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**NOTE 26: Exceptional Items****(₹ In Lakhs)**

<b>Particulars</b>	<b>For the period ended Nov 30, 2023</b>	<b>For the Year ended March 31, 2023</b>	<b>For the Year ended March 31, 2022</b>
<b>Other income</b>			
Provision for permanent diminution in the value of long term investments written back	-	-	-
<b>less: Expenses</b>			
Loss on sale of long term investments	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure -V**

**Restated Statement of Adjustments to Audited Financial Statements**

**(i) Reconciliation of Restated Profit:**

The reconciliation of Profit after tax as per Audited Financial Statements and the Profit after tax as per Restated Financial Statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company.

(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Profit After Tax as per Audited/ Re-Audited Financial Statements</b>	<b>872.00</b>	<b>213.50</b>	<b>59.03</b>
<b><u>(i) Other material adjustments:</u></b>			
Other Expenses (Refer Note 1(a) below)	-	2.13	0.02
Income Tax adjustments Related to earlier years and Provision for Gratuity expense (Refer note 1 (b) below)	2.63	-2.73	-0.76
Share in profit of Associates	4.14	-0.11	-0.31
<b><u>(ii) Audit Qualifications:</u></b>	-	-	-
<b>Restated Profit After Tax</b>	<b>878.78</b>	<b>212.79</b>	<b>57.98</b>

**(ii) Reconciliation of Restated Shareholders Funds:**

The reconciliation of Shareholder's funds as per Audited Financial Statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Shareholder's Funds as per Audited/ Re-Audited Financial Statements</b>	<b>1,490.94</b>	<b>571.36</b>	<b>358.44</b>
<b><u>(i) Adjustments on Account of Change in Accounting Policies:</u></b>			
<b><u>(ii) Other Material Adjustments # :</u></b>			
Other Expenses (Refer Note 1(a) below)	-	2.13	0.02
Income Tax adjustments Related to earlier years and Provision for Gratuity expense(Refer note 1 (b) below)	2.63	-2.73	-0.76
Share in profit of Associates	-	-0.42	-0.31
Trade receivables : Share in additional losses of associated company attributed towards book debts outstanding towards Associate company	-	0.20	-
Expense Related to Prior Period (Refer Note 1(a) & 1 (b) below)	-4.28	-3.68	-2.94
<b><u>(iii) Audit Qualifications:</u></b>			
<b>Restated Shareholder's funds</b>	<b>1,489.29</b>	<b>566.86</b>	<b>354.45</b>

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation 2018.

**1. Notes related to Other material adjustments**

**(a) Other Expense** (₹ In Lakhs)

Particulars	For the period ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Rent Expense (Paid for period April 2020 to May 2020)	-	1.74	-
Maintenance Expense (Paid for period April 2020 to May 2020)	-	0.39	-
Adjustment of TDS	-	-	0.02
Pre IPO Expense	-	-	-
<b>Total</b>	<b>-</b>	<b>2.13</b>	<b>0.02</b>

**(b) Income Tax Adjustments & others** (₹ In Lakhs)

Particulars	For the period ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Adjustment between actual Income Tax provision & Restated Income-tax Provision	-0.89	-0.54	-0.01
Provision for gratuity	3.52	-2.19	-0.76
<b>Total</b>	<b>2.63</b>	<b>-2.73</b>	<b>-0.76</b>

**2. Material regrouping having no impact on Profit/ Shareholder's funds**

**Explanatory Notes for the Restatement Adjustments**

- The Amount relating to the Income / Expenses have been adjusted in the year to which the same related to & under which head the same
- The Company has provided Excess or Short Provision/MAT in the year in which the Income Tax Return has been filled for the respective financial year But in the Restated Financial Information the company has provided Excess or Short Provision/MAT in the year to which it
- There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and teh requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation

**3. Contingent Liabilities & Commitments (to the extent not provided for ):-**

Particulars	For the period ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Contingent Liabilities			
a. Claim against the company not acknowledged as debt	Nil	Nil	Nil
b. Guarantees (Including Guarantees given for director's loan)	2911.62	848.73	275.49
c. Other Money for which company is contingently liable	Nil	Nil	Nil
d. Disputed Tax & other matters	0.49	0.49	0.49

**4. Expenditure in foreign currency on accrual basis**

Particulars	For the period ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Goods Purchased in Foreign Currency	NIL	NIL	63.75
Expenditure in Foreign Currency	NIL	145.86	156.78
Earning in Foreign Currency	NIL	NIL	NIL

**5. Disclosure under AS - 15 Employee Benefits**

The benefits payable under this plan are governed by "Gratuity Act 1972". Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the member's length of services and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the summary statement of profit or loss and the funded status and amounts recognised in the statement of assets and liabilities for the respective plans:

**1. The disclosure in respect of the defined Gratuity Plan are given below:**

(₹ In Lakhs)

Particulars	For the period ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
<b>Financials Assumptions</b>			
Discount rate	7.25%	7.50%	7.25%
Salary Growth Rate	7.00%	7.00%	7.00%
Expected Rate of Return	NA	NA	N.A
<b>Demographic Assumptions</b>			
Age- Band			
25 & Below	10.00%	10.00%	10.00%
25 to 35	8.00%	8.00%	8.00%
35 to 45	6.00%	6.00%	6.00%
45 to 55	4.00%	4.00%	4.00%
55 & above	2.00%	2.00%	2.00%
Age ( in years)			
20	0.09%	0.09%	0.09%
30	0.10%	0.10%	0.10%
40	0.17%	0.17%	0.17%
50	0.44%	0.44%	0.44%
60	1.12%	1.12%	1.12%

**2. Funded status of the plan**

(₹ In Lakhs)

Particulars	For the period ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Present value of unfunded obligations	7.28	3.52	1.33
Present value of funded obligations	-	-	-
Fair value of plan assets	-	-	-
Unrecognised Past Service Cost	-	-	-
<b>Net Liability (Asset)</b>	<b>7.28</b>	<b>3.52</b>	<b>1.33</b>

**3. Reconciliation of defined benefit obligation**

(₹ In Lakhs)

Particulars	For the period ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Opening Defined Benefit Obligation	3.52	1.33	0.57
Transfer in/(out) obligation	-	-	-
Current service cost	5.60	1.87	0.45
Interest cost	0.26	0.09	0.04
Actuarial loss (gain)	-1.65	0.22	0.27
Past service cost	-	-	-
Loss (gain) on curtailments	-	-	-
Liabilities extinguished on settlements	-	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-	-
Exchange differences on foreign plans	-	-	-
Benefit paid from fund	-	-	-
Benefits paid by company	-	-	-
<b>Closing Defined Benefit Obligation</b>	<b>7.73</b>	<b>3.52</b>	<b>1.33</b>

**Annexure - V**

**6. Reconciliation of net defined benefit liability**

(₹ In Lakhs)

Particulars	For the period ended on		
	31-03-24	March 31, 2023	March 31, 2022
Net opening provision in books of accounts	3.52	1.33	0.57
Transfer in/(out) obligation			
Transfer (in)/out plan assets			
Employee Benefit Expense as per 3	4.21	2.19	0.76
Benefits paid by the Company			
Contributions to plan assets			
<b>Closing provision in books of accounts</b>	<b>7.73</b>	<b>3.52</b>	<b>1.33</b>

**7. Table of experience adjustments**

(₹ In Lakhs)

Particulars	For the period ended on		
	31-03-24	March 31, 2023	March 31, 2022
Defined Benefit Obligation	7.73	3.52	1.33
Plan Assets	-	-	-
Surplus/(Deficit)	-7.73	-3.52	-1.33
Experience adjustments on plan liabilities	-1.90	0.34	0.34
Actuarial loss/(gain) due to change in financial assumptions	0.25	-0.12	-0.07
Actuarial loss/ (gain) due to change in demographic assumption	-	-	-
Experience adjustments on plan assets	-	-	-
<b>Net actuarial loss/ (gain) for the year</b>	<b>-1.65</b>	<b>0.22</b>	<b>0.27</b>

**8. Assets and Liability (Balance Sheet Position)**

(₹ In Lakhs)

Particulars	For the period ended on		
	31-03-24	March 31, 2023	March 31, 2022
Present Value of Defined Benefit Obligation	7.73	3.52	1.33
Fair value of plan assets	-	-	-
Unrecognised Past Service Cost	-	-	-
<b>Net Defined Benefit Liability/(Assets)</b>	<b>7.73</b>	<b>3.52</b>	<b>1.33</b>

**9. Bifurcation of Net Liability**

(₹ In Lakhs)

Particulars	For the year ended on		
	31-03-24	March 31, 2023	March 31, 2022
Current (Short Term) Liability	0.08	0.09	0.06
Non Current (Long Term) Liability	7.64	3.43	1.27
<b>Net Defined Benefit Liability/(Assets)</b>	<b>7.73</b>	<b>3.52</b>	<b>1.33</b>

**5. Other Additional Information**

**(i) Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013: Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

Provisions of section 135 of Companies Act, 2013 is not applicable to the company.

**(ii) Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended on March 31, 2024, 2023 & 2022 Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

**(iii) Undisclosed income**

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**(iv) Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2024, 2023 & 2022.

**(v) Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2024, 2023 & 2022.

**(vi) Utilisation of borrowed funds and share premium**

During the year ended on March 31, 2024, 2023 & 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the year ended on March 31, 2024, 2023 & 2022, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(vii) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(viii) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ix) No Dividend has been paid by the Company till Date

(x) There have been no changes in the accounting policies of the company for the period covered under audit except Gratuity.



**POSITRON ENERGY LIMITED**  
(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)  
[CIN: U01403GJ2008PLC052932]  
**ANNEXURE - VI**  
**Statement of Analytical Ratios, As Restated**

Ratio	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current Ratio	2.26	1.81	2.95
Debt-Equity Ratio	0.69	1.31	1.04
Debt Service Coverage Ratio	15.59	5.63	3.13
Return on Equity (ROE)(%)	0.85	0.46	0.17
Inventory Turnover Ratio	41.38	21.21	16.99
Trade receivables turnover ratio	11.21	9.24	5.96
Trade payables turnover ratio	18.04	11.75	22.89
Net capital turnover ratio	9.21	7.29	2.42
Net profit ratio(%)	6.52%	4.14%	6.67%
Return on capital employed (ROCE)(%)	0.62	0.26	0.11
Return on investments(%)	0.05	0.04	0.02

Ratio	31-03-24	Notes	31-03-23	Notes
Current Ratio	0.25		-0.39	Refer B-1
Debt-Equity Ratio	-0.47	Refer A-1	0.26	Refer B-2
Debt Service Coverage Ratio	1.77	Refer A-2	0.80	Refer B-3
Return on Equity (ROE)(%)	0.85	Refer A-3	1.72	Refer B-4
Inventory Turnover Ratio	0.95	Refer A-4	0.25	
Trade receivables turnover ratio	0.21	Refer A-5	0.55	Refer B-5
Trade payables turnover ratio	0.54	Refer A-6	-0.49	Refer B-6
Net capital turnover ratio	0.26	Refer A-7	2.01	Refer B-7
Net profit ratio(%)	0.58	Refer A-8	-0.38	Refer B-8
Return on capital employed (ROCE)(%)	1.33	Refer A-9	1.33	Refer B-9
Return on investments(%)	0.40	Refer A-10	0.75	Refer B-10

**Note : A Reasons for Variations:**

- 1 Debt Equity Ratio : It is primarily decreased due to increase in shareholder's fund as compared to increase in total debt
- 2 Debt Service Coverage Ratio : It is primarily increased due to earning available for debt service
- 3 Return on Equity (ROE)(%) : It is decreased due to increase shareholder's funds.
- 4 Inventory Turnover Ratio : It is increased due to increased in purchase of stock in trade.
- 5 Trade Receivable ratio : It is primarily decreased due to trade receivables increase in net sales
- 6 Trade Payable ratio : It is increased due to trade payables increase in net purchase
- 7 Net capital turnover ratio : It is decrease due to increase in shareholder's funds.
- 8 Net profit ratio(%) : It is increased as proportionately the profit increased as compared to sales
- 9 ROCE : It is primarily increased due to EBIT
- 10 Return on investments(%) : It is decreased due to increase in shareholder's fund

**Note : B Reasons for Variations:**

- 1 Current Ratio : It is primarily decreased due to increase in current assets
- 2 Debt Equity Ratio : It is primarily increased due to total debt
- 3 Debt Service Coverage Ratio : It is primarily increased due to earning available for debt service
- 4 Return on Equity (ROE)(%) : It is increased as overall operating profit of company is increased.
- 5 Trade Receivable ratio : It is primarily increased due to increase in sales
- 6 Trade Payable ratio : It is decreased due to trade payables increases in net purchase
- 7 Net capital turnover ratio : It is increase due to increase in revenue from operation
- 8 Net profit ratio(%) : It is decreased as proportionately the profit decreased as compared to sales.
- 9 ROCE : It is primarily increased due to EBIT
- 10 Return on investments(%) : It is increased as overall operating profit of company is increased

**Annexure -VII**

**Restated Statement of Accounting Ratios**

(₹ In Lakhs)

	Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A	Restated profit after tax for the year	878.78	212.80	57.98
B	EBITDA	1,204.27	299.74	88.97
C	Current Assets	3,531.23	2,138.16	689.76
D	Current Liabilities	1,561.44	1,183.29	233.92
E	Adjusted Number of Equity Shares outstanding at the end of the Year #	5,552,000	347,000	347,000
F	Adjusted Weighted Average Number of Equity Shares outstanding at the end of the Year # (considering Bonus impact with retrospective effect)	5,552,000	5,552,000	5,552,000
G	Net Worth	1,489.26	566.87	354.45
	<b>Accounting ratios</b>			
(i)	Basic & Diluted Earnings per Share based on adjusted Weighted Average Number of Shares (A/F)	15.83	3.83	1.04
(ii)	Return on Net Worth (%) (A/G)	59.01%	37.54%	16.36%
(iii)	Net Asset Value Per Share (Rs) based on actual number of shares (G/E)	26.82	163.36	102.15
(iv)	Net Asset Value Per Share (Rs) based on Weighted Average Number of Shares (G/F)	26.82	10.21	6.38
(v)	Current Ratio (C/D)	2.26	1.81	2.95

Notes -

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (₹)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year}}$$

Return on Net Worth (%)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$$

Net Asset Value per equity share (₹)

$$\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year}}$$

**POSITRON ENERGY LIMITED**  
(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)  
[CIN: U01403GJ2008PLC052932]

**Annexure - VIII**

**Restated statement of Capitalisation as at 31st March, 2024**

(₹ In Lakhs)		
Particulars	Pre Issue	Post Issue *
<b>Borrowings</b>		
Short term debt (A)	297.23	[•]
Long term debt (B)	730.67	[•]
<b>Total debts (C)</b>	<b>1,027.90</b>	<b>[•]</b>
<b>Shareholders' funds</b>		
Equity share capital	555.20	[•]
Reserve and surplus - as restated	934.06	[•]
<b>Total shareholders' funds</b>	<b>1,489.26</b>	<b>[•]</b>
<b>Long term debt / shareholders funds</b>	0.49	[•]
<b>Total debt / shareholders funds</b>	0.69	[•]

[\*] The Figures will be updated while filing Prospectus with RoC.

Note: Long Term Debt include 'current maturities of long term debt' shown under "Other current liabilities".

**Annexure -IX**

**Restated statement of Tax Shelter**

**(₹ In Lakhs)**

<b>Particulars</b>	<b>For the Year ended March 31, 2024</b>	<b>For the Year ended March 31, 2023</b>	<b>For the Year ended March 31, 2022</b>
<b>Restated Profit before tax (A)</b>	<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
<b>Adjustments :</b>			
Permanent differences (B)	-	6.80	0.76
Timing differences and other adjustments (C)	53.89	31.11	23.66
Deduction of Depreciation & Others (D)	28.23	31.23	32.46
Other heads Income (E)	-		
<b>Taxable income under normal provisions (F=A+B+C-D)</b>	<b>1,214.75</b>	<b>293.40</b>	<b>70.82</b>
Tax rate under normal provisions (%) (G)	25.17%	25.17%	26.00%
<b>Income tax as per normal provisions (H=F*G)</b>	<b>305.73</b>	<b>73.85</b>	<b>18.41</b>
<b>Restated Profit for the purpose of MAT (I)</b>	<b>1,189.09</b>	<b>286.72</b>	<b>78.86</b>
Tax rate under MAT provisions (%) (J)	NA	NA	15.60%
<b>Income tax as per MAT provisions (K)</b>	<b>NA</b>	<b>NA</b>	<b>12.30</b>
<b>Tax payable as per normal provisions or MAT provisions</b>	<b>305.73</b>	<b>73.85</b>	<b>18.41</b>

**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

[CIN: U01403GJ2008PLC052932]

**ANNEXURE -X****Statement of Related Party & Transactions :****List of Related Parties where Control exists and Relationships:**

Sr. No	Name of the Related Party	Relationship
1)	Positron Venture Pvt Ltd	Entities in which Key Management Personnel (KMP)/relative of KMP exercise significant influence
2)	Sairama infraenergy private limited	
3)	Positron Gas Ltd (27.35% Shareholding)	Associate Company
4)	Calcutta Compression & Liquefaction Engineering Limited (CC&L)	
5)	Rajiv Menon	Managing Director
6)	Sujit Sugathan	Whole-time Director
7)	Manav Bahari	Whole-time Director
8)	Annapoorna Sujit	Relative of KMP
9)	Rachana Menon	Relative of KMP
10)	Rashmi Bahari	Relative of KMP

**(₹ in Lakhs)**

Transactions during the year:	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Sales</b>			
Positron Gas Limited - Gas Sale	326.07	713.03	427.70
Positron Gas Limited	-	-	-
Positron Venture Limited	-	-	-
CC&L	-	-	-
<b>Purchase of Capital Goods</b>			
CC&L	-	-	-
<b>Payment Received</b>			
Positron Gas Limited - Gas Sale	427.86	787.96	388.81
Positron Gas Limited	21.66	54.28	2.15
Positron Venture Limited	1.84	-	-
CC&L	-	-	-
<b>Loans Taken</b>			
Manav Bahari	9.00	117.00	26.00
Rajiv Memon	30.00	155.00	82.90
Sujit Sugathan	45.00	115.50	30.00
Annapoorna Sujit	-	-	20.00
Rachna Rajiv Menon	-	-	20.00
Rashmi Bahari	-	-	9.00

**POSITRON ENERGY LIMITED**

(FORMERLY KNOWN AS POSITRON ENERGY PRIVATE LIMITED)

[CIN: U01403GJ2008PLC052932]

**ANNEXURE –X****Statement of Related Party & Transactions :**

Transactions during the year:	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Loan Repaid</b>			
Manav Bahari	-	22.00	1.50
Rajiv Memon	-	15.00	1.50
Sujit Sugathan	-	-	2.00
Annapoorna Sujit	20.00	-	-
Rachna Rajiv Menon	20.00	-	-
Rashmi Bahari	9.00	-	-
<b>Rental Income</b>			
Positron Gas Limited		45.01	24.78
<b>Director Remuneration and Professional Fees</b>			
Sujit Sugathan	42.52	45.06	40.37
Manav Bahari	42.52	45.06	40.37
Rajiv Memon	38.00	36.00	31.31
<b>Reimbursement of Expenses</b>			
Positron Gas Limited	-	-	-
Sujit Sugathan	-	0.60	-
Manav Bahari	-	-	-
Rajiv Memon	-	-	-
Positron Gas Limited - Gas Sale	-	0.32	-

**(₹ in Lakhs)**

Outstanding Balances	For the year ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Unsecured Loans</b>			
Manav Bahari	134.88	125.88	30.88
Rajiv Memon	257.78	227.78	87.78
Sujit Sugathan	194.88	149.88	34.38
Annapoorna Sujit	-	20.00	20.00
Rachna Rajiv Menon	-	20.00	20.00
Rashmi Bahari	-	9.00	9.00
<b>Trade Receivable</b>			
Positron Gas Limited - Gas Sale	-	28.10	103.34
Positron Gas Limited	-	14.60	24.73
Positron Venture Limited	-	-	-
CC&L	-	-	-
<b>Trade Payables</b>			
Manav Bahari	38.01	28.46	22.97
Rajiv Memon	25.88	13.31	10.36
Sujit Sugathan	30.98	19.87	14.78
Positron Gas Limited	7.06	-	-
Positron Gas Limited - Gas Sale	0.05	-	-

**ANNEXURE –XI****Statement of Dividends**

No Dividend Paid till Date

**ANNEXURE –XII****Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period covered under audit except change in provision for gratuity

**OTHER FINANCIAL INFORMATION**

	Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A	Restated profit after tax for the year	878.78	212.80	57.98
B	EBITDA	1,204.27	299.74	88.97
C	Current Assets	3,531.23	2,138.16	689.76
D	Current Liabilities	1,561.44	1,183.29	233.92
E	Adjusted Number of Equity Shares outstanding at the end of the Year #	5,552,000	347,000	347,000
F	Adjusted Weighted Average Number of Equity Shares outstanding at the end of the Year # (considering Bonus impact with retrospective effect)	5,552,000	5,552,000	5,552,000
G	Net Worth	1,489.26	566.87	354.45
	<b>Accounting ratios</b>			
(i)	Basic & Diluted Earnings per Share based on adjusted Weighted Average Number of Shares (A/F)	15.83	3.83	1.04
(ii)	Return on Net Worth (%) (A/G)	59.01%	37.54%	16.36%
(iii)	Net Asset Value Per Share (Rs) based on actual number of shares (G/E)	26.82	163.36	102.15
(iv)	Net Asset Value Per Share (Rs) based on Weighted Average Number of Shares (G/F)	26.82	10.21	6.38
(v)	Current Ratio (C/D)	2.26	1.81	2.95

Notes -

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (₹)

Restated Profit after Tax available to equity Shareholders

Weighted Average Number of Equity Shares at the end of the year

Return on Net Worth (%)

Restated Profit after Tax available to equity Shareholders

Restated Net Worth of Equity Shareholders

Net Asset Value per equity share (₹)

Restated Net Worth of Equity Shareholders

Number of Equity Shares outstanding at the end of the year

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Red Herring Prospectus. You should also read the section entitled “Risk Factors” beginning on page 28, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year” or “FY”) are to the twelve-month period ended March 31 of that year.*

The financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated which is included in this Red Herring Prospectus under the section titled “Restated Financial Information” beginning on page 177 of this Red Herring Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 28 and 18 respectively, and elsewhere in this Red Herring Prospectus. Accordingly, the degree to which the financial statements in this Red Herring Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices. Please also refer to section titled “Certain Convention, Presentation of Financial, Industry and Market data” beginning on page 16 of this Red Herring Prospectus.

### BUSINESS OVERVIEW

Our Company for the initially 11 years were mere engaged in the Management & Technical Advisory Services of Oil and Gas Industry. Later on, in the FY 2018-19, our promoters planned to commence the aggregation business of Coal Bed Methan Gas (CBM) for supplying to industrial unit. After having successful business of CBM Gas aggregation also, as per the demand of industrial units, our Company in July 2022 decided to aggressively commence the business of Natural Gas aggregation for such industrial unit.

Our Company was started by our Promoters Mr. Rajiv Menon, Mr. Manav Bahri and Mr. Sujit K Sugathan. Our Promoters have combined experience of more than 45 years in the Gas and Oil Industry. Our Promoters have been pillars of our Company's growth and have built a strong value and eco - system. With their enriching experience and progressive thinking, we aim to continue to grow in the Oil & Gas industry.

We are engaged in Management & Technical Advisory Services of Oil and Gas Industry. We provide end to end solutions for Gas distribution to the Industries across India. We provide Management Consultancy Services like commercial and financial advisory, technical services including Project Management and O&M (Operation and Management) Services, across the Gas Sector in India. We have successfully developed a Gas aggregation business volume of 35 MMSCM (approx), especially Natural Gas. Our technical qualifications and empanelment with most industrial customers attest to our reliability and competence. Moreover, distribution of Natural gas is facilitated through common carrier pipeline networks operated by major public and private sector players in the Indian market.

Our Company is an ISO 9001:2015 and ISO 45001:2018 certified company. The quality certification is towards providing consultancy services, O&M services to the Oil & Gas sector. We have in-house capabilities to deliver a project from conceptualization to completion with fast turnaround time from acquisition to launch to completion, which focuses on de-risking and improving return on investment. Our core competence lies in professional management and attracting and retaining talent to maximize value creation. Since incorporation, we have provided services to major companies which are engaged in the Oil & Gas Sector, including both PSUs and private companies. Our Company has demonstrated a prominent presence in the Oil and Gas Sector and has developed significant expertise and competencies in this field. Our Company aims to leverage its strength and continue expansion into the Oil and Gas sector lead our company to desired growth trajectory.

In addition to our operational endeavours, our business is secured with the Indian Gas Exchange (IGX) through its clearing member. This client membership enables us to source natural gas on-demand for our short-term requirements from the free market, where prices are determined through a transparent exchange mechanism. Moreover, it also provides flexibility to offload excess Gas if necessary. As at March 31, 2024, our portfolio includes a substantial daily volume of



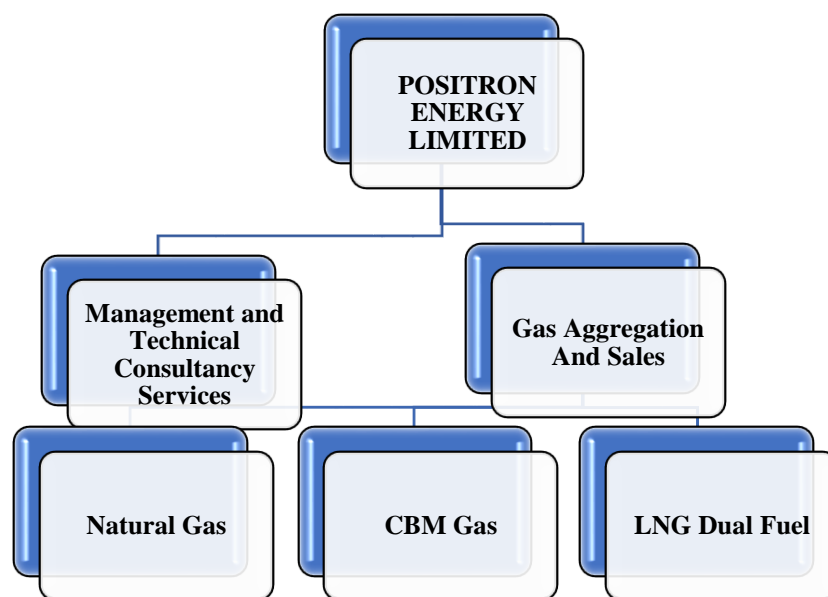
4000-5000 MMBTU of gas from various sources. We engage in long-term contracts linked with formulas, determined through mutual discussions with our customers.

Our services are consistent round the year. We are a quality conscious company. We are constantly striving to expand our service portfolio and we always look forward to complementing projects of our clients

Our Company has entered into collaboration agreement with ICOM North America LLC (New Hudson, MI) for installation of ICOM Dual Fuel LNG conversion systems in on-road trucks weighing over 3.5 tons in India. The new system will result in reduction in emissions with the utilization of LNG contributing to environmental sustainability. The dual-fuel system allows for cost-effective operation with the flexibility of fuel ratios. The product has undergone thorough testing under Indian operating conditions, ensuring optimal performance and reliability. We are currently in the process of obtaining technical approvals from the Automotive Research Association of India (ARAI).

## OUR BUSINESS MODEL

We derive our revenue from 2 major business verticals:



## FINANCIAL KPIS OF OUR COMPANY

The financial performance of the company for last three years as per restated consolidated financial Statement:

(₹ in lakhs)

Particulars	For the Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations (₹ in Lakhs)	13473.25	5142.64	869.04
Growth in Revenue from Operations (YoY %)	161.99%	491.76%	-
Gross Profit (₹ in Lakhs)	2013.56	850.61	458.48
Gross Profit Margin (%)	14.94%	16.54%	52.76%
EBITDA (₹ in Lakhs)	1204.27	299.74	88.97
EBITDA Margin (%)	8.94%	5.83%	10.24%
Profit After Tax (₹ in Lakhs)	878.78	212.80	57.98
PAT Margin (%)	6.52%	4.14%	6.67%
RoE (%)	85.48%	46.19%	16.97%
RoCE (%)	61.55%	26.37%	11.33%
Net Fixed Asset Turnover (In Times)	67.79	24.43	4.74
Operating Cash Flows (₹ in Lakhs)	635.19	99.09	(69.17)

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET:

After the date of last audited financial statements i.e. March 31, 2024, the Directors of our Company confirm that, there have not been any significant material developments except mentioned below:

➤ Nil/-

### FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

Our Company's future results of operations could be affected potentially by the following factors:

- Cost of Goods Sold (Purchase of Stock In Trade) Sale price of natural gas;
- Sourcing and transportation of natural gas;
- Credit worthiness of our commercial and industrial customers;
- Customer spending, demographics and general economic and market conditions in India;
- Competition;
- COVID-19 Pandemic;
- Natural Calamities e.g., Tsunami;
- Political Stability of the Country;
- Our dependence on limited number of customers for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

### OUR SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies please refer Significant Accounting Policies and Notes to accounts, **Annexure IV** beginning under Chapter titled "*Restated Financial Information*" beginning on page 177 of this Red Herring Prospectus.

### RESULTS OF OUR OPERATION

The following table sets forth detailed total income data from our restated Consolidated Statement of profit and loss for the Financial Year ended on March 31, 2024, 2023 and 2022, the components of which are also expressed as a percentage of total Income for such period.

(₹ in Lakhs)

Particular	March 31, 2024		March 31, 2023		March 31, 2022	
	₹ in Lakhs	% of Total Income	₹ in Lakhs	% of Total Income	₹ in Lakhs	% of Total Income
Revenue from operations	13,473.25	99.49%	5,142.64	98.85	869.04	96.90
Other Income	68.51	0.51%	59.97	1.15	27.81	3.10
<b>Total Income</b>	<b>13,541.77</b>	<b>100.00%</b>	<b>5,202.61</b>	<b>100.00</b>	<b>896.85</b>	<b>100.00</b>
<b>Expenses</b>						
Purchase of stock-in-trade	11,345.69	83.78%	4,572.33	87.89	512.87	57.19
Changes in inventories of Stock-in-Trade	114.00	0.84%	-280.30	-5.39	-102.32	-11.41
Employee benefits expense	458.60	3.39%	292.70	5.63	186.20	20.76
Depreciation and amortisation expenses	26.13	0.19%	31.11	0.60	22.44	2.50
Finance Costs	57.53	0.42%	41.87	0.80	15.48	1.73
Other Expenses	350.71	2.59%	258.17	4.96	183.31	20.44
<b>Total Expenses</b>	<b>12,352.67</b>	<b>91.22%</b>	<b>4,915.88</b>	<b>94.49</b>	<b>817.99</b>	<b>91.21</b>

Particular	March 31, 2024		March 31, 2023		March 31, 2022	
	₹ in Lakhs	% of Total Income	₹ in Lakhs	% of Total Income	₹ in Lakhs	% of Total Income
<b>Profit/(Loss) Before Extra-Ordinary Items and Tax</b>	<b>1,189.10</b>	<b>8.78%</b>	<b>286.72</b>	<b>5.51</b>	<b>78.86</b>	<b>8.79</b>
Exceptional Items	0.00	0.00%	0.00	0.00	0.00	0.00
Share in profit of Associates	0.00	0.00%	0.00	0.00	0.00	0.00
Profit before Tax	1,189.10	8.78%	286.72	5.51	78.86	8.79
Total tax expense	310.33	2.29%	73.93	1.42	20.87	2.33
<b>Profit and Loss for the Year as Restated</b>	<b>878.78</b>	<b>6.49%</b>	<b>212.80</b>	<b>4.09</b>	<b>57.98</b>	<b>6.47</b>

The following table sets forth detailed total income data from our Restated Consolidated Statement of Profit and Loss for the financial years 2024, 2023 and 2022, the components of which are also expressed as a percentage increase from previous year.

(₹ in Lakhs)

Particular	For the Year end on March 31,		
	2024	2023	2022
<b>Revenue from operations</b>	13,473.25	5,142.64	869.04
<b>Total Revenue from Operation</b>	<b>13,473.25</b>	<b>5,142.64</b>	<b>869.04</b>
% of growth	161.99%	491.76%	154.85%
Other Income	68.51	59.97	27.81
% of growth	14.25%	115.62%	122.40%
<b>Total Income</b>	<b>13,541.77</b>	<b>5,202.61</b>	<b>896.85</b>
% of growth	160.29%	480.10%	153.70%
<b>Expenses</b>			
Purchase of stock-in-trade	11345.69	4572.33	512.87
% of growth	148.14%	791.52%	
Change in Inventories of Stock in Trade	114.00	(280.30)	(102.32)
% of growth	140.67%	173.95%	
Employee benefits expense	458.60	292.70	186.20
% Increase/(Decrease)	56.68%	57.20%	
Depreciation and amortisation expenses	26.13	31.11	22.44
% Increase/(Decrease)	-15.98%	38.60%	
Finance Costs	57.53	41.87	15.48
% Increase/(Decrease)	37.40%	170.44%	
Other expenses	350.71	258.17	183.31
% Increase/(Decrease)	35.84%	40.84%	
<b>Total Expenses</b>	<b>12,352.67</b>	<b>4,915.88</b>	<b>817.99</b>
% to Total Income	91.22%	94.49%	91.21%
<b>Profit before Tax and Exceptional Items</b>	<b>1,189.10</b>	<b>286.72</b>	<b>78.86</b>
<b>% to Total Income</b>	<b>8.78%</b>	<b>5.51%</b>	<b>8.79%</b>
Exceptional Items	0.00	0.00	0.00
Share in profit of Associates	0.00	0.00	0.00
<b>Profit before Tax</b>	<b>1,189.10</b>	<b>286.72</b>	<b>78.86</b>
<b>Total tax expense</b>	<b>310.33</b>	<b>73.93</b>	<b>20.87</b>

Particular	For the Year end on March 31,		
	2024	2023	2022
<b>Profit and Loss after tax for the Year as Restated</b>	<b>878.78</b>	<b>212.80</b>	<b>57.98</b>
<b>% to Total Income</b>	<b>6.49%</b>	<b>4.09%</b>	<b>6.47%</b>

**COMPARISON OF FY 2023-24 WITH FINANCIAL YEAR 2022-23:**
**TOTAL INCOME:**
**Revenue from operations (RFO)**

Our company is engaged in Management & Technical Advisory Services and Natural Gas Aggregation and Sales. We provide end to end solutions for Gas Distribution to the Industries across India and the globe. We provide Management Consultancy Services, including commercial and financial advisory, and also technical services including Project Management and O&M (Operation and Management) Services, across the Oil & Gas Sector in the country and overseas. Company's Revenue from operation has increased from ₹ 5,142.64 lakhs in FY 2022-23 to ₹ 13,473.25 lakhs in FY 2023-24 showing a growth of 161.99% from previous year i.e. FY 2022-23. Revenue from Operation increased mainly due to increase in our operations in Sale of Natural Gas (due to increase in portfolio of daily volume of Natural Gas to 4000-5000 MMBTU per day) and Management Consultancy Fees. Details of product-service wise bifurcation of revenue and geography wise revenue bifurcation is as follows:

**Product-wise Revenue from operations:**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	% of RFO	For the year ended March 31, 2023	% of RFO
<b>(A) Sale &amp; Supply of Goods</b>				
CBM Gas	326.07	2.42	713.03	13.87
Natural Gas	11,374.57	84.42	3,869.17	75.24
LNG Dual Fuel Kit	0.00	0.00	42.37	0.82
<b>(B) Sale of Services</b>				
Management Consultancy Fees	1,772.61	13.96	515.81	10.03
Other Services	0.00	0.00	2.26	0.04
<b>Total</b>	<b>13,473.25</b>	<b>100.00</b>	<b>5,142.64</b>	<b>100.00</b>

**Geography-wise Revenue from operations:**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	% of RFO	For the year ended March 31, 2023	% of RFO
<b>Domestic Sales</b>				
Andhra Pradesh	1,450.36	10.76	-	-
Assam	125.43	0.93	-	-
Bihar	3.15	0.02	57.23	1.11
Chhattisgarh	-	-	3.35	0.07
Delhi	-	-	22.99	0.45
Daman	119.99	0.89	-	-
Gujarat	6,892.71	51.16	2,917.44	56.73
Haryana	307.86	2.28	4.81	0.09
Himachal Pradesh	97.89	0.73	-	-
Jharkhand	596.11	4.42	713.03	13.87
Karnataka	1,830.84	13.59	8.50	0.17
Kerala	144.14	1.07	13.55	0.26
Ladakh	4.05	0.03	-	-

Particulars	For the year ended March 31, 2024	% of RFO	For the year ended March 31, 2023	% of RFO
Madhya Pradesh	6.02	0.04	64.79	1.26
Maharashtra	243.96	1.81	417.27	8.11
Odisha	-	-	8.50	0.17
Punjab	151.39	1.12	467.45	9.09
Rajasthan	7.12	0.05	4.59	0.09
Tamil Nadu	74.44	0.55	43.71	0.85
Telangana	64.34	0.48	19.00	0.37
Uttar Pradesh	409.21	3.04	376.43	7.32
Uttarakhand	693.08	5.14	-	-
West Bengal	129.19	0.96	-	-
<b>Export</b>				
Saudi Arabia	92.00	0.68	-	-
Rwanda	29.97	0.22	-	-
<b>Total</b>	<b>13,473.25</b>	<b>100.00</b>	<b>5,142.64</b>	<b>100.00</b>

#### **Other Income:**

Other income of the company increased to ₹ 68.51 lakhs in FY 2023-24 from ₹ 59.97 Lakhs in FY 2022-23 showing an increase of 14.25% from previous year i.e. FY 2022-23. Interest Income on FDR & Others, Lease Rent Income from Plant & Equipment and Land & Building, Capital Gain were the main constituents of the Other Income. Other income increased mainly due to increase in Interest Income (due to increase in fixed deposits).

#### **EXPENDITURE:**

##### **Purchases of Stock-In-Trade**

Our Purchases of Stock-In-Trade increased to ₹ 11,345.69 lakhs in FY 2023-24 from ₹ 4,572.33 Lakhs in FY 2022-23 showing an increase of 160.29% from previous year i.e. FY 2022-23. Purchases of Stock-In-Trade includes CNG Kit Equipment and Natural Gas. With increase in Revenue from operation, Purchases of Stock-In-Trade increased mainly due to Purchase of Natural Gas which was in proportion of increase in Revenue from operation.

##### **Changes in inventories of Stock-In-Trade**

Our opening Inventory of Stock-In-Trade was ₹ 102.32 lakhs as at April 01, 2022 and ₹ 382.62 lakhs as at April 01, 2023. Our closing Inventory of Stock-In-Trade was ₹ 382.62 lakhs as at March 31, 2023, while it was ₹ 268.62 lakhs as at March 31, 2024. The changes in Inventory of Stock-In-Trade increased to ₹ 114.00 lakhs in FY 2023-24 from ₹ (280.30) in FY 2022-23. Stock-in-trade includes CNG Kit Equipment, stores and spares, work in progress and Natural Gas.

##### **Employee Benefit Expenses**

Employee Benefit expenses was ₹ 458.60 Lakhs in FY 2023-24 as compared to ₹ 292.70 Lakhs in FY 2022-23 showing an increase of 56.68% from previous year i.e. FY 2022-23. Employee Benefit Expenses mainly includes Salaries and Wages, director's remuneration, staff welfare expenses and contribution to provident fund and other funds. The increase was mainly attributable to an increase in the number of employees during the year to support the greater scale of our business.

##### **Finance Cost**

Finance expenses increased to ₹ 57.53 Lakhs in FY 2023-24 as against ₹ 41.87 Lakhs in FY 2022-23 showing an increase of 37.40%. Finance costs include interest expense on interest on Loans, and other Borrowing Cost. Increase in finance cost is mainly due to increase in Borrowings taken by Company.

##### **Depreciation and amortization expense**

The Depreciation and amortization expense increased to ₹ 26.13 Lakhs in FY 2023-24 as against ₹ 31.11 Lakhs in FY 2022-23 showing decrease of 15.98%. Depreciation mainly includes depreciation on our buildings, computers & data processing units, Electricals Installations & Equipment, Plant & Equipment, Furniture and Fixtures, and Office Equipment.

##### **Other Expenses**

Other Expenses increased to ₹ 350.71 Lakhs in FY 2023-24 from ₹ 258.17 Lakhs for FY 2022- 23 showing an increase of 35.84%. Other expense mainly includes Conveyance & Petrol Expense, GST Reversal on Input Expense, Project Expense, Office Expense, Rent Expense, Professional Fees to Directors, Travelling Expense, Conveyance & Petrol Expense, Legal & Professional Expense, Office Expense, Rent Expense, Repairs & Maintenance Expense. Other expenses increased mainly due to Conveyance & Petrol Expense, Legal & Professional Expense, and Project Expense.

#### **Profit before Tax**

As a result of the reasons mentioned above, we recorded an increase of 314.72% in our profit before tax, which amounted to ₹ 1,189.10 Lakhs in FY 2023-24, as compared to ₹ 286.72 Lakhs in FY 2022-23. Percentage increase is high due to substantial increase in revenue from natural gas because of substantial increase in portfolio of 4000-5000 MMBTU per day of Natural Gas. The Profit before Tax for the FY 2023-24 was 8.78% of the total Income as compared to 5.51% of total Income in FY 2022-23.

#### **Profit after Tax (PAT)**

As a result of the reasons mentioned above, we recorded an increase of 312.96% in our profit after tax from ₹ 212.80 Lakhs in the FY 2022-23 to ₹ 878.77 Lakhs in the FY 2023-24. The Profit after Tax for the FY 2023-24 was 6.49% of the total income as against 4.09% of total income for the FY 2022-23.

### **COMPARISON OF FY 2022-23 WITH FINANCIAL YEAR 2021-22:**

#### **TOTAL INCOME:**

##### **Revenue from operations (RFO)**

Our company is engaged in Management & Technical Advisory Services and Natural Gas Aggregation and Sales. We provide end to end solutions for Gas Distribution to the Industries across India and the globe. We provide Management Consultancy Services, including commercial and financial advisory, and also technical services including Project Management and O&M (Operation and Management) Services, across the Oil & Gas Sector in the country and overseas. Company has started with Gas Aggregation and Sale of Natural Gas from July 2022 due to which Our Revenue from Operation has increased from ₹ 869.04 Lakhs in FY 2021-22 to ₹ 5,142.64 Lakhs in FY 2022-23 showing a growth of 491.76% from previous year. Details of product-service wise bifurcation of revenue and geography wise revenue bifurcation is as follows:

##### **Product-wise Revenue from operations:**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	% of RFO	For the year ended March 31, 2022	% of RFO
<b>(A) Sale &amp; Supply of Goods</b>				
CBM Gas	713.03	13.87	427.70	49.22
Natural Gas	3,869.17	75.24	-	-
LNG Dual Fuel Kit	42.37	0.82	-	-
<b>(B) Sale of Services</b>				
Management Consultancy Fees	515.81	10.03	369.33	42.50
Erection and Commissioning income	-	-	72.00	8.29
<b>Other Services</b>	2.26	0.04	-	-
<b>Total</b>	<b>5,142.64</b>	<b>100.00</b>	<b>869.04</b>	<b>100.00</b>

##### **Geography-wise Revenue from operations:**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	% of RFO	For the year ended March 31, 2022	% of RFO
<b>Domestic Sales</b>				
Bihar	57.23	1.11	69.03	7.94
Chattisgarh	3.35	0.07	-	0.00
Delhi	22.99	0.45	-	0.00
Gujarat	2,917.44	56.73	234.48	26.98

Particulars	For the year ended March 31, 2023	% of RFO	For the year ended March 31, 2022	% of RFO
Haryana	4.81	0.09	-	0.00
Jharkhand	713.03	13.87	427.70	49.22
Karnataka	8.50	0.17	-	0.00
Kerala	13.55	0.26	-	0.00
Madhya Pradesh	64.79	1.26	10.96	1.26
Maharashtra	417.27	8.11	21.84	2.51
Odisha	8.50	0.17	-	0.00
Punjab	467.45	9.09	30.34	3.49
Rajasthan	4.59	0.09	15.72	1.81
Tamil Nadu	43.71	0.85	-	0.00
Telangana	19.00	0.37	-	0.00
Uttar Pradesh	376.43	7.32	58.96	6.79
<b>Total</b>	<b>5,142.64</b>	<b>100.00</b>	<b>869.04</b>	<b>100.00</b>

#### **Other Income:**

Other income of the company increased to ₹ 59.97 lakhs in FY 2022-23 from ₹ 27.81 Lakhs in FY 2021-22 showing an increase of 115.62% from previous year i.e. FY 2021-22. Interest Income on FDR & Others, Lease Rent Income from Plant & Equipment and Land & Building, were the main constituents of the Other Income. Other income increased mainly due to increase in Interest Income from Fixed Deposits earmarked for Bank guarantee and Lease Rental Income.

#### **EXPENDITURE:**

##### **Purchases of Stock-In-Trade**

Our Purchases of Stock-In-Trade increased to ₹ 4,572.33 lakhs in FY 2022-23 from ₹ 512.87 Lakhs in FY 2021-22. Purchases of Stock-In-Trade includes CNG Kit Equipment and Natural Gas. With increase in Revenue from operation, Purchases of Stock-In-Trade increased mainly due to Purchase of Natural Gas. Purchases of Stock-In-Trade as a percentage of Revenue from Operation stood at 88.91%.

##### **Changes in inventories of Stock-In-Trade**

Our opening Inventory of Stock-In-Trade was ₹ 102.32 lakhs as at April 01, 2022, while it was Nil as at April 01, 2022. Our closing Inventory of Stock-In-Trade was ₹ 382.62 lakhs as at March 31, 2023, while it was ₹ 102.32 lakhs as at March 31, 2022. The changes in Inventory of Stock-In-Trade decreased to ₹ (280.30) lakhs in FY 2022-23 from ₹ (102.32) lakhs in FY 2021-22. Stock-in-trade includes CNG Kit Equipment and Natural Gas.

##### **Employee Benefit Expenses**

Employee Benefit expenses was ₹ 292.70 Lakhs in FY 2022-23 as compared to ₹ 186.20 Lakhs in FY 2021-22 showing an increase of 57.20% from previous year i.e. FY 2021-22. Employee Benefit Expenses mainly includes Salaries and Wages, staff welfare expenses and contribution to provident fund and other funds. The increase was mainly attributable to an increase in the number of employees during the year to support the greater scale of our business.

##### **Finance Cost**

Finance expenses increased to ₹ 41.87 Lakhs in FY 2022-23 as against ₹ 15.48 Lakhs in FY 2021-22 showing an increase of 170.44%. Finance costs include interest expense on interest on Loans, and other Borrowing Cost. Increase in finance cost is mainly due to increase in other borrowing costs in FY 2022-23 which related to Bank charges for Bank Guarantee taken by Company.

##### **Depreciation and amortization expense**

The Depreciation and amortization expense increased to ₹ 31.11 Lakhs in FY 2022-23 as against ₹ 22.44 Lakhs in FY 2021-22 showing an increase of 38.60%. Depreciation mainly includes depreciation on our buildings, computers & data processing units, Electricals Installations & Equipment, Plant & Equipment, Furniture and Fixtures, and Office Equipment. Increase was mainly due to addition in Plant & Equipment.

##### **Other Expenses**

Other Expenses increased to ₹ 258.17 Lakhs in FY 2022-23 from ₹ 183.31 Lakhs for FY 2021- 22 showing an increase of 40.84%. Other expense mainly includes Conveyance & Petrol Expense, GST Reversal on Input Expense, Project

Expense, Office Expense, Rent Expense, Professional Fees to Directors, Travelling Expense, Conveyance & Petrol Expense, Legal & Professional Expense, Office Expense, Rent Expense, Repairs & Maintenance Expense. Other expenses increased mainly due to non-recurring expense i.e. GST Reversal on Input Expense.

#### ***Profit before Tax***

As a result of the reasons mentioned above, we recorded an increase of 263.60% in our profit before tax, which amounted to ₹ 286.72 Lakhs in FY 2022-23, as compared to ₹ 78.86 Lakhs in FY 2021-22. The Profit before Tax for the FY 2022-23 was 5.51% of the total Income as compared to 8.79% of total Income in FY 2021-22.

#### ***Profit after Tax (PAT)***

As a result of the reasons mentioned above, we recorded an increase of 266.99% in our profit after tax from ₹ 57.98 Lakhs in the FY 2021-22 to ₹ 212.80 Lakhs in the FY 2022-23. The Profit after Tax for the FY 2022-23 was 4.09% of the total income as against 6.47% of total income for the FY 2021-22.

### **DISCUSSION ON THE STATEMENT OF CASH FLOWS**

The following table sets forth certain information relating to our Company's statement of cash flows for the periods indicated:

(Amount ₹ in Lakhs)

Particulars	For the Financial Year Ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Net cash flows generated/ (used) from operating activities	635.19	99.09	(69.17)
Net cash flows generated/ (used in) investing activities	123.13	(60.09)	(60.22)
Net cash flows generated/ (used in)/generated from financing activities	232.77	333.77	233.76
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>991.10</b>	<b>372.77</b>	<b>104.38</b>

#### ***Operating activities:***

##### **For Financial Year 2023-24**

Net cash generated from operating activities was ₹ 635.19 Lakhs. This comprised of the profit before tax of ₹ 1,189.09 Lakhs, which was primarily adjusted for Depreciation & Amortization Expense of ₹ 26.13 Lakhs, Finance Cost of ₹ 57.53 lakhs and Finance Income of ₹ 68.51 lakhs. The resultant operating profit before working capital changes was ₹ 1,204.25 Lakhs, which was primarily adjusted for a change in inventories by ₹ 114.00 lakhs, other assets and Loans and Advance by ₹ (4.49 lakhs), increase in Trade Receivable by ₹ (467.86 lakhs), increase in Trade Payable amounting to ₹ 102.96 Lakhs, and income tax paid of ₹ 313.67 Lakhs.

##### **For Financial Year 2022-23**

Net cash generated from operating activities was ₹ 99.09 Lakhs. This comprised of the profit before tax of ₹ 286.72 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 31.11 Lakhs, finance cost of ₹ 41.87 Lakhs and Finance Income of ₹ 59.97 lakhs. The resultant operating profit before working capital changes was ₹ 299.74 Lakhs, which was primarily adjusted for an increase in trade receivables of ₹ 780.41 Lakhs, Inventories of ₹ 280.30 Lakhs, increase in trade payables of ₹ 949.21 Lakhs and increase in Loans & Advances & Other Assets of ₹ 15.30 Lakhs and income tax paid of ₹ 73.85 Lakhs.

##### **For Financial Year 2021-22**

Net cash used in operating activities was ₹ (69.17) Lakhs. This comprised of the profit before tax of ₹ 78.86 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 22.44 Lakhs, finance cost of ₹ 15.48 Lakhs, and Finance Income of ₹ 27.81 lakhs. The resultant operating profit before working capital changes was ₹ 88.97 Lakhs, which was primarily adjusted for an increase in trade receivables of ₹ (73.94) Lakhs, Inventories of ₹ (102.32) lakhs, Short Term Loan & Advance/Other Current Assets of ₹ (12.94) Lakhs, increase in trade payables and other liabilities of ₹ 49.47 Lakhs and income tax paid of ₹ (18.41) Lakhs.

#### ***Investing Activities***

##### **For Financial Year 2023-24**

Net cash generated from investing activities was ₹ 123.13 Lakhs, which primarily comprised of cash used for the purchase/Sale of fixed assets (Net) of ₹ (12.68) Lakhs, proceeds from Interest and Other Income of ₹ 68.51 Lakhs and change in Non-Current Assets of ₹ 67.30 Lakhs.



### For Financial Year 2022-23

Net cash used in investing activities was ₹ (60.09) Lakhs, which primarily comprised of cash used for the purchase/Sale of fixed assets (Net) of ₹ (20.99) Lakhs, proceeds from Interest and Other income of ₹ 59.97 Lakhs and change in Non-Current Assets of ₹ (99.06) Lakhs.

### For Financial Year 2021-22

Net cash used in investing activities was ₹ (60.22) Lakhs, which primarily comprised of cash used for the purchase/Sale of fixed assets (Net) of ₹ (86.94) Lakhs, proceeds from Interest and Other income of ₹ 27.81 Lakhs and change in Non-Current Assets of ₹ (1.09) Lakhs.

### Financing activities

### For Financial Year 2023-24

Net cash used in financing activities was ₹ 232.77 Lakhs, which predominantly comprised increase of long-term borrowings of ₹ 10.89 Lakhs, increase of short-term borrowings of ₹ 275.20 Lakhs, increase in Long term provisions and finance cost paid of ₹ 4.21 Lakhs and ₹ (57.53) Lakhs respectively.

### For Financial Year 2022-23

Net cash inflow from financing activities was ₹ 333.77 Lakhs, which predominantly comprised increase of long-term borrowings of ₹ 373.32 Lakhs and short-term borrowings of ₹ 0.16 Lakhs, increase in Long term provisions of ₹ 2.16 lakhs and finance cost paid of ₹ (41.87) Lakhs.

### For Financial Year 2021-22

Net cash inflow from financing activities was ₹ 233.76 Lakhs, which predominantly comprised increase of long-term borrowings of ₹ 231.65 Lakhs and short term borrowings of ₹ 16.87 lakhs, and finance cost paid of ₹ (15.48) Lakhs.

## INDEBTNESS

As at March 31, 2024, we had total outstanding indebtedness of ₹ 1,027.90 Lakhs, which comprises of long-term borrowings amounting to ₹ 730.67 Lakhs and Current maturity of long-term borrowing of ₹ 297.23 Lakhs. The following table sets out our indebtedness as of March 31, 2024, 2023 and 2022.

(Amount ₹ in Lakhs)

Particulars	For the Financial Year Ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
Long term borrowing (excluding current maturity)	730.67	719.78	346.45
Short term borrowings (Current maturity of long-term borrowing)	297.23	22.04	21.88
<b>Total</b>	<b>1,027.90</b>	<b>741.81</b>	<b>368.33</b>

## RELATED PARTY TRANSACTIONS

For further information please refer “Annexure – X - Related Party Disclosure” under section “Restated Financial Information” beginning from page no. 177 of this Red Herring Prospectus.

## QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the course of undertaking our business, we are exposed to the following risks arising from financial instruments, which include credit risk, liquidity risk and market risk. Our primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on our financial performance.

### Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss. The potential activities where credit risks may arise include from cash and cash equivalents, security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business.

### Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. Our financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We have practiced financial diligence and syndicated adequate liquidity in all business scenarios.

### **Market Risk**

Market risk is the risk that results in changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect our income or the value of our holdings of financial instruments. Our operations result in us being exposed to foreign currency risk on account of trade receivables, trade payables and borrowings. The foreign currency risk may affect our income and expenses, or our financial position and cash flows. The objective of our management of foreign currency risk is to maintain this risk within acceptable parameters, while optimizing returns.

### **EFFECT OF INFLATION**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

### **INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:**

#### **1) Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

#### **2) Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page no. 28 of the Red Herring Prospectus. To our knowledge, except as we have described in the Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

#### **3) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page no. 28 in this 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, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page no. 28 in this Red Herring Prospectus, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

#### **5) Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Our company is engaged in Management & Technical Advisory Services and Natural Gas Aggregation and Sales. We provide end to end solutions for Gas Distribution to the Industries across India and the globe. We provide Management Consultancy Services, including commercial and financial advisory, and also technical services including Project Management and O&M (Operation and Management) Services, across the Oil & Gas Sector in the country and overseas. From July 2022 Company has started with Gas Aggregation and Sale of Natural Gas. Further, Increases in revenues are by and large linked to increase in sales of products sold by our company and also dependent on the price realization of our products.

#### **6) Total turnover of each major industry segment in which the issuer company operated.**

Our company is engaged in Management & Technical Advisory Services and Natural Gas Aggregation and Sales. We provide end to end solutions for Gas Distribution to the Industries across India and the globe. We provide Management Consultancy Services, including commercial and financial advisory, and also technical services including Project Management and O&M (Operation and Management) Services, across the Oil & Gas Sector in the

country and overseas. Relevant Industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 94 of this Red Herring Prospectus.

**7) Status of any publicly announced new products or business segment.**

Our company is engaged in Management & Technical Advisory Services and Natural Gas Aggregation and Sales. We provide end to end solutions for Gas Distribution to the Industries across India and the globe. We provide Management Consultancy Services, including commercial and financial advisory, and also technical services including Project Management and O&M (Operation and Management) Services, across the Oil & Gas Sector in the country and overseas. Otherwise as stated in the Red Herring Prospectus and in the section “Business Overview” appearing on page no. 109, our company has not publicly announced any new business segment till the date of this Red Herring Prospectus.

**8) The extent to which business is seasonal.**

Our company is engaged in Management & Technical Advisory Services and Natural Gas Aggregation and Sales. We provide end to end solutions for Gas Distribution to the Industries across India and the globe. We provide Management Consultancy Services, including commercial and financial advisory, and also technical services including Project Management and O&M (Operation and Management) Services, across the Oil & Gas Sector in the country and overseas. Business of our company to that extent is not seasonal in nature. Hence, our business is not subject to seasonality or cyclicity.

**9) Any significant dependence on a single or few suppliers or customers.**

The percentage of contribution of our Company’s customer vis-à-vis the total revenue from operations on consolidated basis respectively for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 is as follows:

Particulars	% contribution to revenue from operations		
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Top 1 Customer	16.18	21.03	49.22
Top 3 Customers	44.75	47.21	71.14
Top 5 Customers	58.60	65.46	84.61
Top 10 Customers	77.77	87.55	95.42

*\*Note that Name of Customers are not mentioned since Company has not received written consent till filing of Red Herring Prospectus from its Customers to include their name in this Red Herring Prospectus.*

Particulars	% contribution to Purchases		
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Top 1 Supplier	84.59	48.73	80.05
Top 3 Suppliers	92.03	86.18	96.82
Top 5 Suppliers	96.68	94.70	97.42
Top 10 Suppliers	99.55	99.83	97.77

*\*Note that Name of Suppliers are not mentioned since Company has not received written consent till filing of Red Herring Prospectus from its Suppliers to include their name in this Red Herring Prospectus.*

**10) Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in section titles “Business Overview” beginning on page no. 109 of this Red Herring Prospectus.

**CAPITALISATION STATEMENT**

Particulars	(₹ In Lakhs)	
	Pre Issue	Post Issue *
<b>Borrowings</b>		
Short term debt (A)	297.23	[•]
Long term debt (B)	730.67	[•]
<b>Total debts (C)</b>	<b>1,027.90</b>	[•]
<b>Shareholders' funds</b>		
Equity share capital	555.20	[•]
Reserve and surplus - as restated	934.06	[•]
<b>Total shareholders' funds</b>	<b>1,489.26</b>	[•]
<b>Long term debt / shareholders funds</b>	0.49	[•]
<b>Total debt / shareholders funds</b>	0.69	[•]

[\*] The Figures will be updated while filing Prospectus with RoC.

Note: Long Term Debt include 'current maturities of long term debt' shown under "Other current liabilities'.

Particulars	(₹ In Lakhs)	
	Pre Issue	Post Issue *
<b>Borrowings</b>		
Short term debt (A)	297.23	[•]
Long term debt (B)	730.67	[•]
<b>Total debts (C)</b>	<b>1,027.90</b>	[•]
<b>Shareholders' funds</b>		
Equity share capital	555.20	[•]
Reserve and surplus - as restated	934.06	[•]
<b>Total shareholders' funds</b>	<b>1,489.26</b>	[•]
<b>Long term debt / shareholders funds</b>	0.49	[•]
<b>Total debt / shareholders funds</b>	0.69	[•]

[\*] The Figures will be updated while filing Prospectus with RoC.

Note: Long Term Debt include 'current maturities of long term debt' shown under "Other current liabilities'.

## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.*

*Our Board, in its meeting held on February 20, 2024 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 2% of annual turnover of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5% of the Company’s trade payables as per the last restated financial statements.*

#### A. LITIGATION INVOLVING THE COMPANY

##### a. Criminal proceedings against the Company

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

##### b. Criminal proceedings filed by the Company

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company.

##### c. Other pending material litigations against the Company

As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated against the Company.

##### d. Other pending material litigations filed by the Company

As on the date of this Red Herring Prospectus, there are no outstanding material litigation initiated by the Company.

##### e. Actions by statutory and regulatory authorities against the Company

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

#### B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

##### a. Criminal proceedings against the Promoters & Directors of the Company

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the Company.

##### b. Criminal proceedings filed by the Promoters & Directors of the Company

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the Company.

##### c. Other pending material litigations against the Promoters & Directors of the Company

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated against the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

##### d. Other pending material litigations filed by the Promoters & Directors of the Company

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated by the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

##### e. Actions by statutory and regulatory authorities against the Promoters & Directors of the Company

As on the date of this Red Herring Prospectus, there are no outstanding actions initiated by the statutory and regulatory authorities against the Promoters & Directors.

**f. Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action**

As on the date of this Red Herring Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor any penalties have been imposed in the last five years.

**C. LITIGATIONS INVOLVING THE GROUP COMPANIES OF THE COMPANY**

**a. Criminal proceedings against the group companies of the company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the group companies of the company.

**b. Criminal proceedings filed by the group companies of the company**

As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the group companies of the company.

**c. Other pending material litigations against the group companies of the company**

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated against the group companies, which have been considered material by the Company in accordance with the Materiality Policy.

**d. Other pending material litigations by the group companies of the company**

As on the date of this Red Herring Prospectus, there are no outstanding litigations initiated by the group companies, which have been considered material by the Company in accordance with the Materiality Policy.

**e. Actions by statutory and regulatory authorities against the group companies of the company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group companies.

**D. TAX PROCEEDINGS**

Nature of Proceedings	Number of cases	Amount involved* (Rs. in lakhs)
<b>Of the Company</b>		
(IT) <sup>1</sup>	1	0.49
(TDS)	1	0.18
(GST)	Nil	Nil
<b>Of the Group Companies</b>		
Positron Gas Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Not Applicable	Not Applicable
Positron Venture Private Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Nil	Nil
Sairama Infrastructure Private Limited		
(IT)	Nil	Nil
(TDS)	Nil	Nil
(GST)	Not Applicable	Not Applicable
<b>Of the Promoters and Directors</b>		
	Nil	Nil

<sup>1</sup> There is an outstanding demand of Rs. 49,310.00 for the Assessment Year 2012 against the Issuer Company

**E. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

The Board of Directors of our Company considers dues exceeding 5% of our Company's total Trade payables as per Restated financial statements, to small scale undertakings and other creditors as material dues for our Company. Our Board of Directors considers dues owed by our Company to the creditors exceeding 5% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the year ended on

March 31, 2024 were ₹ 509.88 Lakh. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ 25.49 Lakh. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on February 20, 2024 Based on these criteria, details of outstanding dues owed as on March 31, 2024 by our Company on are set out below:

*(₹ in lakhs)*

Types of creditors	Number of creditors	Amount involved
Micro, small and medium enterprises	0	0.00
Other Creditors	31	509.88
<b>Total (A+B)</b>	<b>31</b>	<b>509.88</b>
<b>Material Creditors</b>	<b>01</b>	<b>471.08</b>

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.positron-india.com](http://www.positron-india.com). It is clarified that such details available on our website do not form a part of this Red Herring Prospectus.

**MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 179 of this Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## GOVERNMENT APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled “**Key Industrial Regulations and Policies**” at page 109 of this Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained in connection with the Issue:

#### Corporate Approvals:

- a. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on February 20, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held on February 22, 2024 authorized the Issue.

#### Approval from the Stock Exchange:

- d. In-principle approval dated July 03, 2024 from NSE for using the name of the Exchange in the offer documents for listing of the Equity Shares on SME Platform of NSE, issued by our Company pursuant to the Issue.

#### Agreements with NSDL and CDSL:

- e. The company has entered into an agreement dated November 29, 2023 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
- f. Similarly, the Company has also entered into an agreement dated January 10, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
- g. The International Securities Identification Number (ISIN) of our Company is INE0S3H01017.

#### Lenders Consent:

Letter dated November 28, 2023 received from HDFC Bank, Kadi Chhatral Road, Kadi, Gujarat.

### II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Incorporation Of ‘Positron Energy Private Limited’	U01403GJ2008PTC052932	The Companies Act, 1956	Registrar of Companies, Gujarat, Dadra and Nagar Haveli	February 15, 2008	Valid until cancelled
2.	Fresh Certificate of Incorporation on change of name from ‘Positron Energy Private Limited’ to ‘Positron Energy	U01403GJ2008PLC052932	The Companies Act, 2013	Registrar of Companies, Ahmedabad	January 02, 2024	Valid until cancelled



Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
	Limited'					

### III. OTHER APPROVALS

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:

#### A. TAX RELATED APPROVALS:

Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department, Government of India	AAECP5492Q	February 15, 2008	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	Income Tax Department, Government of India	AHMP06068G	April 07, 2008	Valid until cancelled
3.	Certificate of Registration of Goods and Services Tax (Gujarat)	Centre Goods and Services Tax Act, 2017	Government of India	24AAECP5492Q1ZQ	Issued on September 26, 2017 w.e.f. July 01, 2017	Valid until cancelled
4.	Certificate of Registration of Profession Tax (Jharkhand)	Jharkhand Tax on Professions, Trades, Callings and Employments Act, 2011	Government of Jharkhand, Commercial Taxes Department	20581409270	July 20, 2019	Valid until cancelled
5.	Certificate of Enrolment of Profession Tax (Gujarat)	Gujarat State-Tax on Professions, Trades, Callings and Employments Act, 1976	Gandhinagar Municipal Corporation	PEC080004791	November 01, 2019	Valid until cancelled
6.	Certificate of Registration of Profession Tax (Gujarat)	Gujarat State-Tax on Professions, Trades, Callings and Employments Act, 1976	Gandhinagar Municipal Corporation	PRC080000878	November 01, 2019	Valid until cancelled
7.	Certificate of Enrolment of Profession Tax (Maharashtra)	Maharashtra State-Tax on Professions, Trades, Callings and Employments Act, 1975	Maharashtra Sales Tax Department	99744765418P	February 21, 2024 w.e.f. April 01, 2023	Valid until cancelled
8.	Certificate of Registration of Profession Tax (Maharashtra)	Maharashtra State-Tax on Professions, Trades, Callings and Employments Act, 1975	Maharashtra Sales Tax Department	27242139830P	February 21, 2024 w.e.f. May 01, 2023	Valid until cancelled
9.	Certificate of Registration of Value Added Tax	Gujarat Value Added Tax Act, 2003	Government of Gujarat, Commercial Taxes Department	24060307806	Issued on May 05, 2022 w.e.f. April 19, 2022	Valid until cancelled
10.	Certificate of	Maharashtra Value	Maharashtra	27242139830V	Issued on	Valid

Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
	Registration of Value Added Tax	Added Tax Act, 2002	Sales Tax Department		May 26, 2023 w.e.f. May 18, 2023	until cancelled
11.	Certificate of Registration of The Central Sales Tax (Registration and Turnover) Rules, 1957	Section 7(1)/7(2) of the Central Sales Tax Act, 1956 along with Central Sales Tax (registration and Turnover) Rules, 1957	Government of Gujarat, Commercial Taxes Department	24560307806	May 27, 2022	Valid until cancelled
12.	Certificate of Registration of The Central Sales Tax (Registration and Turnover) Rules, 1957	Section 7(1)/7(2) of the Central Sales Tax Act, 1956 along with Central Sales Tax (registration and Turnover) Rules, 1957	Maharashtra Sales Tax Department	TIN: 27242139830C	Issued on June 01, 2023 w.e.f. May 29, 2023	Valid until cancelled

**B. LABOUR LAW RELATED APPROVALS:**

Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
1.	Registration under Employees' Provident Funds	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	GJAHD2100612000	May 25, 2020	Valid until cancelled
2.	ESI Registration	Employee State Insurance Act, 1948	Employees' State Insurance Corporation	37001159490000606	April 14, 2020	Valid until cancelled
3.	Certificate of Registration of Delhi Shops and Establishment	Delhi Shops and Establishments Act, 1954	Department of Labour, Government of NCT of Delhi	2024021395	February 03, 2024	Valid until Cancelled
4.	Application of Intimation for Maharashtra Shops and Establishment	Maharashtra Shops and Establishments Act, 2017	Labour Department, Pune	101296832403	February 13, 2024	Valid until Cancelled
5.	Registration Certificate of Shops and Establishment (Gujarat)	Gujarat Shops and Establishments (Regulations of Employment and Conditions of Services) Act, 2019	Gandhinagar Municipal Corporation	CR008000155	May 02, 2024	Valid until Cancelled
6.	LIN Certification	Shram Suvidha Scheme under various Labour Laws	Ministry of Labour & Employment	2-3807-0538-5	August 29, 2023	Valid until cancelled

**C. BUSINESS OPERATIONS RELATED APPROVALS:**

Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
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Sr. No	Description	Applicable laws	Authority	Registration number	Date of Certificate	Date of Expiry
1.	LEI Certificate	RBI Guidelines	LEI Register India Private Limited	9845008808F96F4C4572	February 24, 2022	February 24, 2028
2.	Udyog Aadhaar Registration Certificate	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	GJ01D0052338	December 12, 2018	Valid until cancelled
3.	Udyam Registration Certificate	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	UDYAM-GJ-09-0001054	September 08, 2020 (updated on February 01, 2024)	Valid until cancelled
4.	Certificate of Importer-Exporter Code (IEC)	Foreign Trade (Development and Regulation) Act, 1992	Government of India (Ministry of Commerce and Industry, Directorate General of Foreign Trade)	AAECP5492Q	October 08, 2020	Valid until cancelled

#### D. QUALITY CERTIFICATIONS:

Sr. No	Nature of Registration	Issuing Authority	Certificate No.	Date of Issue	Date of Expiry
1.	Certificate of Registration for Quality Management System of the Company under ISO 9001:2015 with the following scope: Providing Consultancy Services, O&M Services to Oil & Gas Sector.	Magnitude Management Services Pvt. Ltd.	23EQKC06	March 22, 2023	March 21, 2026
2.	Certificate of Registration for Occupational Health & Safety Management System of the Company under ISO 45001:2018 with the following scope: Providing Consultancy Services, O&M Services to Oil & Gas Sector.	Progressive International Certifications Ltd.	PICL/OHSMS/0320/3717	March 11, 2023	March 10, 2026

#### E. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHT (IPR)

Sr. No.	Description	Registration Number/Mark/Label	Class	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration for Trade Mark	4931619 (Positron Energy Private Limited)	35	Trade Marks Act, 1999	Trade Marks Registry	April 02, 2021	April 01, 2031

#### F. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:

SL No.	Domain Name	Registrar/IANA ID	Creation Date	Expiry Date
1.	positron-india.com	PDR Ltd./303	December 13, 2007	December 13, 2024

#### IV. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

Sr No.	Description	Application No.	Application Date	Status
2.	Application for Duel fuel Kit	PEPL/LNGKit/2022/020	November 23, 2022	Awaiting for final Approval from ARAI

## SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES / ENTITIES

The definition of “Group Companies” pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Pursuant to a Board resolution dated February 20, 2024 our Board has identified companies with which there were related party transactions, during the period for which financial information is disclosed and formulated a policy to identify other companies which are considered material to be identified as group companies, pursuant to which the following entities are identified as Group Companies of our Company:

1. Positron Gas Limited
2. Positron Ventures Private Limited
3. Sairama Infraenergy Private Limited

Except as stated above, there are no companies falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies.

### 1. POSITRON GAS LIMITED (“PGL”) – ASSOCIATE COMPANY

#### Brief Corporate Information

PGL was incorporated as “EKC Positron Gas Limited” on May 15, 2015 under the Companies Act, 2013 pursuant to certificate of incorporation was issued by Assistant Registrar of Companies, West Bengal. Thereafter the name of the company was changed from “EKC Positron Gas Limited” to “Positron Gas Limited”, pursuant to special resolution passed by our shareholders in the Extra-Ordinary General Meeting held on July 24, 2020, vide Certificate of Incorporation dated September 28, 2020 issued by Registrar of Companies, Kolkata. The CIN of PGL is U40300WB2015PLC206360. The Registered Office of PGL is Unit No. 203, 2nd Floor 52A, Shakespeare Sarani, Chandan Niketan, Kolkata, West Bengal, India, 700017.

#### Current Nature of Activities / Business Activities

PGL is currently engaged in the business of Oil and Gas sector in the state of Jharkhand.

#### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of PGL:

Sr. No.	Name	Designation	DIN
1.	Mr. Rajiv Shankarankutty Menon	Director	01958636
2.	Mr. Manav Bahri	Director	01959472
3.	Mr. Sujit K Sugathan	Director	01959364

#### Capital Structure

As on the date of this Red Herring Prospectus, the authorised share capital of PGL is ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of PGL is ₹ 5,00,000 divided into 50,000 Equity Shares of ₹ 10 each.

#### Financial Information

The brief financial details of PGL derived from its financial statements for audited financial statements for FY2023, FY2022 and FY2021 are set forth below:

(₹ in lakhs except per share data)

Particulars	For the financial year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	5.00	5.00	5.00
Other Equity	(25.56)	(25.94)	(27.07)
Net worth	(20.56)	(20.94)	(22.07)
Total Revenue (including other income)	1152.22	672.99	150.76
Profit / (Loss) after tax	0.39	1.12	(26.02)
Earnings per Share (face value of ₹ 10 each) (Basic &	0.77	2.25	(52.05)

Particulars	For the financial year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Diluted)			
Net Asset value per share (₹)	(41.11)	(41.88)	(44.13)

### Shareholding Pattern

The shareholding pattern of PGL as on the date of this Red Herring Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares held	Percentage
1.	Mr. Rajiv Shankarankutty Menon	12,108	24.22
2.	Mr. Manav Bahri	12,108	24.22
3.	Mr. Sujit K Sugathan	12,108	24.22
4.	Mrs. Annapurna Sujit	02,892	5.78
5.	Mr. Koikalethu Abraham Liji	5,000	10.00
6.	Mrs. Rachana Rajiv Menon	02,892	5.78
7.	Mr. Rashmi Manav Bahri	02,892	5.78
	<b>TOTAL</b>	<b>50,000</b>	<b>100.00</b>

### Nature and extent of interest of our Promoters

Our Promoters hold 72.63% Equity Shares in PGL. Further, all our Promoters also hold directorship in PGL.

Financial Information of PGL is available on our website being [www.positron-india.com](http://www.positron-india.com)

## 2. POSITRON VENTURES PRIVATE LIMITED (“PVPL”)

### Brief Corporate Information

PVPL was incorporated as “Positron Ventures Private Limited” on October 31, 2018 under the Companies Act, 2013 pursuant to the certificate of incorporation issued by Registrar of Companies, Ahmedabad. The CIN of PVPL is U11100GJ2018PTC105034. The Registered Office of PVPL is 408, Shukan Mall, Nr. Vista Petrol Pump Sabarmati, Ahmedabad, Gujarat-380005, India.

### Current Nature of Activities / Business Activities

PVPL is currently engaged in the LNG on wheel business model, setting up of LNG dispensing infrastructure for the captive usage of clients, LNG retro fitment business in the retail transport segments and to bring on the broad domain knowledge and track record to address the needs of the Gas Market with latest technologies and innovation. PVPL engages in the Energy Sector to provide IT & IT Enabled Services which includes outsourcing services.

### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of PVPL:

Sr. No.	Name	Designation	DIN
1.	Mr. Rajiv Shankarankutty Menon	Director	01958636
2.	Mr. Manav Bahri	Director	01959472
3.	Mr. Sujit K Sugathan	Director	01959364

### Capital Structure

As on the date of this Red Herring Prospectus, the authorised share capital of PVPL is ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of PVPL is ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each.

### Financial Information

The brief financial details of PVPL derived from its financial statements for audited financial statements for FY2023 and FY2022 are set forth below:

(₹ in lakhs except per share data)

Particulars	For the financial year ended
-------------	------------------------------

	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	10.00	10.00	5.00
Other Equity	(0.17)	2.40	0.92
Net worth	9.83	12.39	5.92
Total Revenue (including other income)	25.05	18.00	18.00
Profit / (Loss) after tax	(2.56)	1.48	0.30
Earnings per Share (face value of ₹ 10 each) (Basic & Diluted)	(2.56)	1.48	0.60
Net Asset value per share (₹)	9.83	12.39	11.83

### Shareholding Pattern

The shareholding pattern of PVPL as on the date of this Red Herring Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares held (₹ 10/- each)	Percentage (%)
1	Annapoorna Sujit	10,000	10.00%
2.	Rachna Menon	10,000	10.00%
3.	Shweta Das	50,000	50.00%
4.	Mr. Rajiv Shankarankutty Menon	10,000	10.00%
5.	Mr. Manav Bahri	10,000	10.00%
6.	Mr. Sujit K Sugathan	10,000	10.00%
	<b>TOTAL</b>	<b>1,00,000</b>	<b>100.00%</b>

### Nature and extent of interest of our Promoters

Our Promoters hold 30.00% Equity Shares in PVPL. Further, all our Promoters also hold directorship in PVPL.

Financial Information of PVPL is available on our website being [www.positron-india.com](http://www.positron-india.com)

### 3. SAIRAMA INFRAENERGY PRIVATE LIMITED (“SIPL”)

#### Brief Corporate Information

SIPL was incorporated as “Sairama Infraenergy Private Limited” on July 02, 2019 under the Companies Act, 2013 pursuant to certificate of incorporation was issued by Registrar of Companies, Hyderabad. The CIN of SIPL is U74999TG2019PTC133828. The Registered Office of SIPL is 8-3-320/G106, Keerthi Apartment, Yella Reddy Guda, Hyderabad, Telangana-500073, India.

#### Current Nature of Activities / Business Activities

SIPL is currently engaged in design, establish, provide, maintain and perform engineering and related technical and consultancy services for clients in India and overseas, for all types of industries including Upstream Oil & Gas, Refinery, petrochemicals, Metallurgical, Power Plants, Chemicals, Fertilizers, Waste Treatment, Food, Pharmaceuticals, Infrastructures and all other types of Industrial LSTK Projects and for that purpose to provide complete turnkey EPC services including preparation and issue of tenders for the works, plants and equipment, service facilities on behalf of clients and be responsible for scrutinizing them and advising clients suitably for end to end execution and commissioning of the projects.

#### Board of Directors

As on date of this Red Herring Prospectus, the following are the Directors of SIPL:

Sr. No.	Name	Designation	DIN
1.	Mr. Rajiv Shankarankutty Menon	Director	01958636
2.	Mr. Manav Bahri	Director	01959472
3.	Mr. Sujit K Sugathan	Director	01959364
4.	Mr. Venkatesh Palimpati	Director	03588839

#### Capital Structure

As on the date of this Red Herring Prospectus, the authorised share capital of SIPL is ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of SIPL is ₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each.

## Financial Information

The brief financial details of SIPL derived from its financial statements for audited financial statements for FY2023 ,FY2022 and FY2021 are set forth below:

(₹ in lakhs except per share data)

Particulars	For the financial year ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	1.00	1.00	1.00
Other Equity	(1.25)	(0.86)	0.52
Net worth	(0.25)	0.14	0.48
Total Revenue (including other income)	0.00	0.00	0.00
Profit / (Loss) after tax	(0.39)	(0.34)	(0.20)
Earnings per Share (face value of ₹ 10 each) (Basis & Diluted)	0.00	0.00	0.00
Net Asset value per share (₹)	(2.46)	1.41	4.84

## Shareholding Pattern

The shareholding pattern of SIPL as on the date of this Red Herring Prospectus is mentioned below:

Sr. No.	Shareholder's Name	No. of Equity Shares held (₹ 10/- each)	Percentage (%)
1	Positron Ventures Private Limited	4,900	49.00%
2	Mr. Rajiv Shankarankutty Menon	1,700	17.00%
3	Mr. Manav Bahri	1,700	17.00%
4.	Mr. Sujit K Sugathan	1,700	17.00%
	<b>TOTAL</b>	<b>10,000</b>	<b>100.00%</b>

## Nature and extent of interest of our Promoters

Our Promoters hold 51% Equity Shares in SIPL. Further, all our Promoters also hold directorship in SIPL.

Financial Information of SIPL is available on our website being [www.positron-india.com](http://www.positron-india.com)

## PENDING LITIGATIONS

There is no pending litigation involving any of the above-mentioned group companies which has a material impact on our Company. However, for details of Outstanding Litigation against our Company and Group Companies, please refer to Chapter titled “Outstanding Litigations and Material Developments” on the Page no. 192 of this Red Herring Prospectus.

## GENERAL DISCLOSURE

- Except as disclosed below, none of our Group Companies have its securities listed on any stock exchange and has made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years.
- None of the above-mentioned Group Companies is in default in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies/Entities.
- Our Group Companies have not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Companies have not been identified as a Willful Defaulter or Fraudulent Borrower.

## COMMON PURSUITS

Our Group Company, Positron Gas Limited is engaged in the business of Oil and Gas, which is similar to business activities as that of our Company.

Our Group Company, Positron Venture Private Limited is engaged in the business of Oil and Gas, which is similar to business activities as that of our Company.

Our Group Company, Sairama Infraenergy Private Limited is engaged in the business of engineering and related technical and consultancy services, which is similar to business activities as that of our Company.

As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. Further, our Company has not entered into separate non-compete agreement in order to avoid the conflict of interest envisaged with our group company Positron Gas Limited, Positron Venture Private Limited and Sairama Infraenergy Private Limited. In addition, all of our directors are also directors on the boards of all our Group Companies. These overlapping directorships could create conflicts of interest between us and the Promoters.

### **BUSINESS INTERESTS AMONGST OUR COMPANY AND GROUP COMPANIES/ENTITIES /ASSOCIATE COMPANIES**

#### **Existing**

Except as mentioned under “Annexure X– Restated Related Party Disclosures” under Chapter titled “Restated Financial Information” beginning on page 177 of the Red Herring Prospectus, there is no business interest among Group Companies.

#### **Proposed Related Party Transactions with Group/Entities/Promoters for FY 2023-24 as approved by the Board of Directors, as on the date of this Red Herring Prospectus:**

Sr. No.	Name of Related Party	Nature Relation	Nature of transactions with Related Parties	Omnibus Approval (Limit ₹ in Lacs)
1.	Positron Ventures Private Limited	Enterprise over which KMP are able to exercise significant Influence	Sale & Providing Services	4000
			Purchase & receiving Services	4000
2.	Positron Gas Limited	Group Company	Sale & Providing Services	4000
			Purchase & receiving Services	4000
3.	Mr. Rajiv Shankarankutty Menon	Whole time Director	Rent Paid	10.80
4.	Mr. Manav Bahri	Whole time Director		
5.	Mr. Sujit K Sugathan	Managing Director		

Additionally, our Company will pay remuneration and salary to our Directors and Key Managerial Personnel as approved by the Board of Directors and/or Shareholders of our Company.

In addition to all above transactions proposed to be entered, our Company may also propose to enter into new transactions or transactions beyond the present approval given by the Board of Directors/Audit Committee after obtaining the fresh approval for the new transactions or transactions beyond the approval specified above.

### **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY/ENTITY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

For details, please refer Chapter titled “*Restated Financial Information*” beginning on page 177 of the Red Herring Prospectus, there is no business interest among Group Companies.

### **CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, *Restated Financial Statement*” on page no. 177 of this Red Herring Prospectus, there have been no changes in the accounting policies in the last three years.



## SECTION – XII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on February 20, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on February 22, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated July 03, 2024 from NSE for using its name in this Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors and our Promoters Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### CONFIRMATIONS

1. Our Company, our Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters nor Group Companies/Entities have been identified as willful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### ELIGIBILITY FOR THE ISSUE

Our company whose post issue paid-up capital is less than ₹ 10 Crore therefore, our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

- 1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 1956.

- 2. The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 555.20 Lakh and we are proposing issue of 20,48,400 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ 760.04 Lakhs which is less than ₹ 10.00 Crores.

- 3. Track Record**

- A. The company should have a track record of at least 3 years.**

Our company was incorporation dated February 15, 2008 under the provisions of Companies Act, 1956. Therefore, we are in compliance with criteria of having track record of 3 years.

- B. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Consolidated Financial Statement.

(₹ In lakh)

Particulars	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Operating profit (earnings before interest, depreciation and tax and other income) from operations	1,204.27	299.74	88.97
Net Worth as per Restated Financial Statement	1,489.26	566.87	354.45

#### 4. Other Requirements

We confirm that;

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

#### 5. The Company has a website: [www.positron-india.com](http://www.positron-india.com)

#### 6. Disclosures

We confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

#### In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

- In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the BRLM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by BRLM, please refer to section titled “General Information” beginning on page no. 51 of this Red Herring Prospectus.
- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see section titled “General Information” beginning on page no. 51 of this Red herring Prospectus.
- In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same.
- In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through BRLM immediately up on registration of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### SEBI DISCLAIMER CLAUSE

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME**

HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ~~DRAFT OFFER DOCUMENT~~ / OFFER DOCUMENT, THE LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER(S) BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 05, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~ DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER(S) ANY IRREGULARITIES OR LAPSES IN THE ~~DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT~~.”

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.

#### **DISCLAIMER CLAUSE OF THE NSE**

The copy of the Draft Red Herring Prospectus is submitted to NSE. Post scrutiny of the Draft Red Herring Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3611 dated July 03, 2024 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft red herring prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

#### **CAUTION- DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

The Company, the Directors, accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accepts no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone placing reliance on any other source of information, including Company’s website: [www.positron-india.com](http://www.positron-india.com) in would be doing so at their own risk.

The Company, the Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the issuer and that anyone

placing reliance on any other source of information, including Company's website: [www.positron-india.com](http://www.positron-india.com) would be doing so at their own risk.

#### CAUTION

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLM, and our Company dated February 23, 2024 and the Underwriting Agreement dated July 26, 2024 between BRLM and our Company and the Market Making Agreement dated July 26, 2024 entered into among the Market Maker, Book Running Lead Manager and our Company.

All information shall be made available by us and BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoters Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoters Group, affiliates or associates for which they have received, and may in future receive, compensation.

#### Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

#### DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

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

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

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

#### **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated July 03, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Three Working Days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- (a). **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or**
- (b). **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- (c). **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## CONSENTS

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Banker to the Issue, Market Maker, Underwriter to the Issue and Syndicate Member to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus/Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018,

1. M/s. Abhishek kumar & Associates., Chartered Accountants have provided their written consent to act as Statutory Auditor to the company dated February 13, 2024 for Audit Report.
2. M/S. S V J K And Associates., Chartered Accountants have provided their written consent to act as Peer review Auditor and expert to the company dated March 07, 2024 for Audit Report to the Restated Financial Information as well as inclusion of Statement of Tax Benefits dated August 02, 2024.
3. M/S. Abhishek Kumar & Associates, Chartered Accountants, has provided fund deployment certificate dated August 05, 2024 for disclosure made in chapter titled “*Objects of the Issue*” in this Red Herring Prospectus.
4. M/s. Zenith India Lawyers has provided their written consent to act as Legal Advisor to the issue dated February 20, 2024 and to inclusion of name as Expert dated February 20, 2024.
5. Further, such consents and reports have not been withdrawn up to the time of delivery of this Red Herring Prospectus.

## EXPERT OPINION

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

## PREVIOUS PUBLIC OR RIGHTS ISSUE

There have been no public or rights issue by our Company during the last five years.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

## CAPITAL ISSUE DURING THE LAST THREE YEARS

Our Company and Group Companies/Entities have not made any capital issue during the last three years.

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM

For details regarding the price information and track record of the past issue handled by Beeline Capital Advisors Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

### TABLE 1

#### SME IPO:

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	KP Green Engineering Limited	189.50	144.00	March 22, 2024	200.00	234.24% (+0.35%)	299.31% (+6.19%)	N.A.
2.	TAC Infosec Limited	29.99	106.00	April 05, 2024	290.00	491.27% (-0.17%)	421.13% (+7.87%)	N.A.
3.	Greenhitech Ventures Limited	6.30	50.00	April 22, 2024	95.00	170.00% (+0.41%)	150.90% (+9.44%)	N.A.
4.	Emmforce Autotech Limited	53.90	98.00	April 30, 2024	186.20	92.14% (+0.03%)	79.85% (+9.20%)	N.A.
5.	Winsol Engineers Limited	23.36	75.00	May 14, 2024	365.00	380.00% (+4.97%)	N.A.	N.A.
6.	Piotex Industries Limited	14.47	94.00	May 17, 2024	109.00	-4.26% (+4.16%)	N.A.	N.A.
7.	Rulka Electricals Limited	26.40	235.00	May 24, 2024	525.00	98.19% (+2.37%)	N.A.	N.A.
8.	Beacon Trusteeship Limited	32.52	60.00	June 04, 2024	90.00	117.67% (+10.98)	N.A.	N.A.
9.	United Coffab Limited	36.29	70.00	June 24, 2024	75.00	0.24% (3.99%)	N.A.	N.A.
10.	Dindigul Farm Product Limited	34.83	54.00	June 27, 2024	102.60	109.54% (+2.79%)	N.A.	N.A.
11.	Sati Poly Plast Limited	17.36	130.00	July 22, 2024	247.00	N.A.	N.A.	N.A.
12.	V.L.Infraprojects Limited	18.52	42.00	July 30, 2024	79.80	N.A.	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

**MAIN BOARD IPO:**

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
								NIL

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Issues) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Note:**

1. The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.
2. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing.
3. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
4. In case 30<sup>th</sup>/ 90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

**SUMMARY STATEMENT OF DISCLOSURE**

**TABLE 2**

**SME IPO:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %
2024-25	11	293.94	-	-	1	7	-	1	-	-	-	-	-	-
2023-24	21	770.18	-	-	3	13	3	2	-	2	2	11	1	1
2022-23	12	232.94	-	1	2	3	2	4	-	1	1	3	2	5
2021-22	N.A.													

**MAIN BOARD IPO:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %
2023-24	NIL													
2022-23	NIL													
2021-22	N.A													



**Notes:**

1. Issue opening date is considered for calculation of total number of IPO's in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**PROMISE VIS-A-VIS PERFORMANCE**

Since, neither our Company nor our Promoter's Group Companies/Entities have made any previous rights or public issues during last five years, promise vis-a-vis Performance is not applicable.

**STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

**MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Managers shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Red Herring Prospectus/Prospectus.

**DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Directors	Designation	Nature of Directorship
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Mr. Devanutosh Kothari	Chairperson	Independent Director
Dr. Safalta S Gupta	Member	Independent Director
Mr. Suresh Ayyappankutty	Member	Non -executive Director

Our Company has appointed Mr. Devang Ashvinkumar Shah as the Company Secretary and Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Mr. Devang Ashvinkumar Shah

C/o. Positron Energy Limited

Office No. 3, IT Tower-2, Ground Floor Infocity,

Sector-7, Gandhinagar,

Gujarat-382007

**Telephone No.:** +91 079 23290070

**Web site:** [www.positron-india.com](http://www.positron-india.com)

**E-Mail:** [secretarial@positron-india.com](mailto:secretarial@positron-india.com)

Till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### PUBLIC ISSUE EXPENSES

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

#### Notes:

- Up to July 31, 2024, Our Company has deployed/incurred expense of ₹ 18.43 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor, M/s. Abhishek Kumar & Associates, Chartered Accountants vide its certificate dated August 05, 2024, bearing UDIN: 24132305BKEYZQ9151.
- Any expenses incurred towards aforesaid issue related expenses during the period from September 01, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of

*Equity Shares Allotted and the Issue Price).*

4. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*
5. *Registered Brokers will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
6. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
7. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*
8. *Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹ 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.*

*Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.*

#### **FEES PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

#### **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

#### **COMMISSION PAYABLE TO SCSBS**

1. *Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*
  - Portion for RIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)*
  - Portion for NIIs 0.01% or ₹ 100/- whichever is less ^ (exclusive of GST)*
  - ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*
2. *The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.*

3. *Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.*
4. *SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.*
5. *Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.*
6. *Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed 50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds 50,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.*

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

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the section titled “*Capital Structure*” beginning on page no. 61 of this Red Herring Prospectus, our Company has not Issue any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of our Promoters as on date of filing of this Red Herring Prospectus.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

Except as disclosed below, there are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except as disclosed under section titled “*Capital Structure*” on page 61 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

#### **REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during last five years.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI SHALL BE DISCLOSED**

Our Company has not been granted any exemptions from complying with any provisions of Securities Laws by SEBIs.

## SECTION XIII – ISSUE RELATED INFORMATION

### TERMS OF ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on February 20, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra-Ordinary General Meeting of the Company held on February 22, 2024.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled "Dividend Policy" beginning on Page No. 176 of this Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ [●] per Equity Share ("Cap Price").

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and [●] Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchange.

The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled "Basis for Issue Price" beginning on Page No. 84 of this Red Herring Prospectus.

### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI(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, 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 have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated January 10, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated November 29, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in 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 a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the section titled "*Capital Structure*" beginning on Page No. 61 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" beginning on Page No. 254 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and

thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
Bid/Issue Opening Date	Monday August 12, 2024
Bid/Issue Closing Date	Wednesday August 14, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday August 16, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday August 19, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Monday August 19, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday August 20, 2024

*\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company and the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

### Submission of Bids

#### Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

#### Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

#### On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.



On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lac only) per application.

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

### **Migration to Main Board**

*Our company may migrate to the main board of National Stock Exchange of India Limited at a later date subject to the following:*

- a. If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters 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 National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. If the paid-up Capital of our company is more than ₹ 10 Crores but below ₹ 25Crores, 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the SME Board within two years of listing on Emerge platform of NSE has to fulfill following conditions:*

- a. The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- b. The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- c. The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- d. There should not be any action against the company by any regulatory agency at the time of application for migration.*

### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE. For further details of the market making arrangement, please refer to section titled “General Information” beginning on Page No. 51 of this Red Herring Prospectus.

### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

### **Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the section titled “Capital Structure” beginning on Page No. 61 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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 hereinabove. 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

**Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons, details of the account are incomplete or incorrect, the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

**New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ₹ 10 crores, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on Page No. 216 and 226 respectively of this Red Herring Prospectus.

This public issue comprises of 20,48,400 Equity Shares of face value of ₹10/- each for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “issue price”) aggregating to ₹ [●]/- Lakhs (“the issue”) by our Company. The Issue and the Net Issue will constitute 26.95 % and 25.60%, respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process<sup>(1)</sup>:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	1,02,600 Equity Shares	Not more than 9,72,000 Equity Shares.	Not less than 2,92,200 Equity Shares	Not less than 6,81,600 Equity Shares
Percentage of issue size available for allocation	5.01% of the issue size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment <sup>(3)</sup>	Firm Allotment	Proportionate as follows: 19,200 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and 3,69,600 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate
Mode of Bid	Only through the ASBA process.	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for	Through ASBA Process through banks or by using

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
			payment	UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹ 2,00,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process			

(1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

(3) Subject to valid Bids being received at or above the issue price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

## WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## BID/ISSUE PROGRAMME

Events	Indicative Dates
Bid/Issue Opening Date	Monday August 12, 2024
Bid/Issue Closing Date	Wednesday August 14, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday August 16, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday August 19, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Monday August 19, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Tuesday August 20, 2024

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

1. A standard cut-off time of 3.00 p.m. for acceptance of bids.
2. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
3. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”) to act as intermediaries for submitting Application Forms are provided on [www.nseindia.com/merge](http://www.nseindia.com/merge). For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited (“NSE EMERGE”).

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and 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 Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

## BOOK BUILDING PROCEDURE

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

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 BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

**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.**

## AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/



her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

#### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)).

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 this Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called “Designated Intermediaries”):

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus and/or Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date (“Cut-Off Time”). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

## WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to this Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals’ resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder ‘s category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and

invest in equity shares;

- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### APPLICATIONS NOT TO BE MADE BY

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

#### MAXIMUM AND MINIMUM APPLICATION SIZE

##### 1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and Gandhinagar Edition of Regional newspaper (Gujarati Regional Language of Gandhinagar) where the registered

office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Gandhinagar Edition of Regional newspaper Financial Express where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) 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
- e) 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.
- f) 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.
- g) 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.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their

PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company’s paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, please refer chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on Page No. 252 of this Red Herring Prospectus. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **BIDS BY FPIS**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be

below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for relevant business sector in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFs AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.



Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 01, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, please refer chapter titled “Key Industry Regulations” beginning on Page No. 109 of this Red Herring Prospectus.

#### **BIDS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required

to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) Equity Shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The

dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA

Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the

investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our 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 Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders

may refer to the RHP.

- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

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

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

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

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

#### **GENERAL INSTRUCTIONS**

##### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;

12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the

Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a RIB;
19. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for Equity Shares in excess of what is specified for each category;
21. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
23. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;



24. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
25. Do not Bid if you are an OCB; and
26. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please refer the section entitled “General Information” and “Our Management” beginning on Page No. 51 and 157 of this Red Herring Prospectus, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please refer the section titled “General Information” beginning on Page No. 51 of this Red Herring Prospectus.

## GROUND FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer section titled “General Information” beginning on Page No. 51 of this Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue 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.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate 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(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (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 Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar 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 advise 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 Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### c. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the

remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red herring Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid/ Issue Closing Date.

The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain 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 Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### BASIS OF ALLOTMENT

Allotment will be made in consultation NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) The company has entered into an agreement dated November 29, 2023 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
- b) The Company has entered into an agreement dated January 10, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
- c) The Company’s Equity shares bear an **ISIN- INE0S3H01017**.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper each with wide circulation) and Gandhinagar editions of Financial Express (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The 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 ICDR Regulations.

#### SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Issue Price but prior to the filing of Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

#### IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakhs or with both.

## UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

## UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.



## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. For more details, please refer chapter titled “*Issue Procedure*” beginning on Page No. 226 of this Red Herring Prospectus.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to 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 Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. For more details, please refer chapter titled “*Issue Procedure*” beginning on Page No. 226 of this Red Herring Prospectus.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, 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 FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. 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 in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act 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 only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

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**DESCRIPTION OF EQUITY SHARES RELATED TERMS OF THE ARTICLES OF ASSOCIATION**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**POSITRON ENERGY LIMITED**  
**CONSTITUTION OF THE COMPANY**

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

**INTERPRETATION CLAUSE**

2. The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:
- a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'
  - b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
  - c) 'The Company' or 'This Company' means **POSITRON ENERGY LIMITED**.
  - d) 'Directors' means the Directors for the time being of the Company.
  - e) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.
  - f) 'Members' means members of the Company holding a share or shares of any class.
  - g) 'Month' shall mean a calendar month.
  - h) 'Paid-up' shall include 'credited as fully paid-up'.
  - i) 'Person' shall include any corporation as well as individual.
  - j) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
  - k) 'Section' or 'Sec.' means Section of the Act.
  - l) Words importing the masculine gender shall include the feminine gender.
  - m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
  - n) 'Special Resolution' means special resolution as defined by Section 114 in the Act.
  - o) 'The Office' means the Registered Office for the time being of the Company.
  - p) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
  - q) 'Proxy' includes Attorney duly constituted under a Power of Attorney.
3. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
4. The Authorized Share Capital of the Company shall be as prescribed in Clause 5 of the Memorandum of Association of the Company.
5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board

thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

6. The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.
7. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:
  - I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
  - (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
  - (d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.
- II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.
- III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:
  - (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and
  - (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
8. (1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.
- (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

#### **9. Issue of further shares with disproportionate rights**

Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.

#### **10. Not to issue shares with disproportionate rights**

The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.

#### **11. Power to pay commission**

The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

#### **12. Liability of joint holders of shares**

The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

#### **13. Trust not recognised**

Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognised any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

#### **14. Issue other than for cash**

- a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.
- b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

#### **15. Acceptance of shares**

An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

#### **16. Member' right to share Certificates**

1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:
  - a. One certificate for all his shares; or
  - b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.
2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
3. Every certificate shall be under the signature of two Directors and the Company Secretary of the Company and shall specify the shares to which it relates and the amount paid-up thereon.
4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the signature of two Directors and the Company Secretary of the Company or authorized official(s) of the Company.

#### **17. One Certificate for joint holders**

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint

holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.

#### **18. Renewal of Certificate**

If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.

For every certificate issued under the last preceding Article, no fee shall be charged by the Company.

#### **19. Splitting and consolidation of Share Certificate**

The shares of the Company will be split up/consolidated in the following circumstances:

- (i) At the request of the member/s for split up of shares in marketable lot.
- (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

#### **20. Directors may issue new Certificate(s)**

Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

#### **21. Person by whom installments are payable**

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

### **LIEN**

#### **22. Company's lien on shares**

The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

#### **23. As to enforcing lien by sale**

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

#### **24. Authority to transfer**

- a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
- b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

#### **25. Application of proceeds of sale**

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

### **CALLS ON SHARES**

#### **26. Calls**

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the

conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

**27. When call deemed to have been made**

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

**28. Length of Notice of call**

Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

**29. Sum payable in fixed installments to be deemed calls**

If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

**30. When interest on call or installment payable**

If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

**31. Sums payable at fixed times to be treated as calls**

The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

**32. Payment of call in advance**

The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

**33. Partial payment not to preclude forfeiture**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.

**FORFEITURE OF SHARES**

**34. If call or installment not paid, notice may be given**

If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

**35. Evidence action by Company against shareholders**

On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

#### **36. Form of Notice**

The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

#### **37. If notice not complied with, shares may be forfeited**

If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

#### **38. Notice after forfeiture**

When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

#### **39. Boards' right to dispose of forfeited shares or cancellation of forfeiture**

A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

#### **40. Liability after forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

#### **41. Effect of forfeiture**

The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

#### **42. Evidence of forfeiture**

A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

#### **43. Non-payment of sums payable at fixed times**

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

#### **44. Validity of such sales**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings,



nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

### **TRANSFER AND TRANSMISSION OF SHARES**

#### **45. Transfer**

- a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
- b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

- c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.
- e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.

#### **46. Form of transfer**

Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

#### **47. Board's right to refuse to register**

The Board, may, at its absolute discretion and without assigning any reason, decline to register;

1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
2. Any transfer or transmission of shares on which the Company has a lien
  - a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.
  - b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
  - c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
  - d. The provisions of this clause shall apply to transfers of stock also.

#### **48. Further right of Board of Directors to refuse to register**

- a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.

- b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.
- c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.
- d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:
  - i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.
  - ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.
  - iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.
  - iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.
  - v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.

Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).

#### **49. Rights to shares on death of a member for transmission**

- a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.
- b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

#### **50. Rights and liabilities of person**

- 1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either
  - a. to be registered himself as a holder of the share or
  - b. to make such transfer of the share as the deceased or insolvent member could have made.

2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

#### **51. Notice by such a person of his election**

- a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.

#### **52. No transfer to infant, etc.**

No transfer shall be made to an infant or a person of unsound mind.

#### **53. Endorsement of transfer and issue of certificate**

Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

#### **54. Custody of transfer**

The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

#### **55. Register of members**

- a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

##### **Closure of Register of members**

- b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

##### **When instruments of transfer to be retained**

- c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

##### **Company's right to register transfer by apparent legal owner**

57. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

## **ALTERATION OF CAPITAL**

### **Alteration and consolidation, sub-division and cancellation of shares**

58. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:
  1. increase its share capital by such amount as it thinks expedient by issuing new shares;

2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.
5.
  - (a). Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
  - (b). The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.
6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

#### **Reduction of capital, etc. by Company**

59. The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:
- a. its share capital;
  - b. any capital redemption reserve account; or
  - c. any share premium account.

#### **SURRENDER OF SHARES**

##### **Surrender of shares**

60. The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

#### **MODIFICATION OF RIGHTS**

##### **Power of modify shares**

61. The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.

#### **SET OFF OF MONEY DUE TO SHAREHOLDERS**

##### **Set-off of moneys due to shareholders**

62. Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

#### **CONVERSION OF SHARES INTO STOCK**

##### **Conversion of shares**

63. The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

##### **Transfer of stock**

64. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the

minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

#### **Right of stockholders**

65. The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

#### **Applicability of regulations to stock and stockholders**

66. Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.

#### **67. DEMATERIALISATION OF SECURITIES**

##### **a) Definitions**

For the purpose of this Article:

‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;

‘SEBI’ means the Securities and Exchange Board of India;

‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

‘Security’ means such security as may be specified by SEBI from time to time.

##### **b) Dematerialisation of securities**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

##### **c) Options for investors**

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

##### **d) Securities in depositories to be in fungible form**

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

##### **e) Rights of depositories and beneficial owners:**

- i.** Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- ii.** Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
- iii.** Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

##### **f) Service of documents**

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

**g) Transfer of securities**

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**h) Allotment of securities dealt with in a depository**

Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

**i) Distinctive numbers of securities held in a depository**

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

**j) Register and Index of Beneficial owners**

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

**k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

## **GENERAL MEETINGS**

### **Annual General Meeting**

68. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

### **Extraordinary General Meeting**

69. 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

### **Right to summon Extraordinary General Meeting**

2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

### **Extraordinary Meeting by requisition**

70. a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.
- c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.

- e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

#### **Length of notice for calling meeting**

71. A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.

Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

#### **Accidental omission to give notice not to invalidate meeting**

72. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

#### **Special business and statement to be annexed**

73. All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

#### **Quorum**

74. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present

Number of members 1000-5000: 15 members personally present

Number of members more than 5000: 30 members personally present

#### **If quorum not present, when meeting to be dissolved and when to be adjourned**

75. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

#### **Chairman of General Meeting**

76. The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

#### **When Chairman is absent**

77. If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

#### **Adjournment of meeting**

78. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

#### **Questions at General Meeting how decided**

79. At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

#### **Casting vote**

80. In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

#### **Taking of poll**

81. If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

#### **In what cases poll taken without adjournment**

82. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

#### **Votes**

83. a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
- b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
- c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.

#### **Business may proceed notwithstanding demand for poll**

84. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

#### **Joint holders**



85. In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

**Member of unsound mind**

86. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.

**No member entitled to vote while call due to Company**

87. No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**Proxies permitted on polls**

88. On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

**Instrument of proxy**

89. a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the signature of two Directors and the Company Secretary of the Company or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.
- b. A body corporate (whether a company within the meaning of this Act or not) may:
1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
  2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.

**Instrument of proxy to be deposited at the office**

90. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

**Validity of vote by proxy**

91. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

**Form of proxy**

92. Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

**DIRECTORS**

**Number of Directors**

93. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

**a) Present Board of Directors**

- i. Rajiv Shankarankutty Menon

- ii. Sujit K Sugathan
- iii. Manav Bahri

**b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Officer**

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.

94. Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

**Qualification of Directors**

95. Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

**Director's remuneration**

96. a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
- b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
- d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.

**Directors may act notwithstanding vacancy**

97. The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:

**Chairman of the Board**

98. The Board may from time to time appoint any Director to be the Chairman of the Board. The Chairman of the Board shall be subject to the same provisions as to resignation and removal as the other Directors, and he ipso facto, and immediately ceases to be the Chairman if he ceases to hold the office of Director for any cause.

**Casual vacancy**

99. If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

**VACATION OF OFFICE BY DIRECTORS**

### **Vacation of office by Directors**

**100.** The office of a Director shall be vacated if:

1. he is found to be unsound mind by a Court of competent jurisdiction;
2. he applies to be adjudicated as an insolvent;
3. he is an undischarged insolvent;
4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
7. he has not complied with Subsection (3) of Section 152
8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
11. he becomes disqualified by an order of a court or the Tribunal
12. he is removed in pursuance of the provisions of the Act,
13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;

notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:

1. for thirty days from the date of the adjudication, sentence or order;
2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

### **Alternate Directors**

- 101.** (a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.
- (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

### **Independent Directors**

- (c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.
- (ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation.

### **Women Director**

- (d) The Directors shall appoint at least one women director as per the requirements of section 149 of the Act.

### **Key Managerial Personnel**

- (e) Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
  - (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

### **Additional Directors**

102. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.

#### **Proportion of retirement by rotation**

- a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.

### **Debenture**

103. Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

### **Corporation/Nominee Director**

104. a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company to the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or installments, the Corporation shall have right to appoint from time to time any person or persons as a Director or Directors (which Director or Directors is/are hereinafter referred to as “Nominee Director(s)”) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).
- b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

- c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.

#### **Disclosure of interest of Directors**

105. a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.

- b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

#### **Rights of Directors**

106. Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

#### **Directors to comply with Section 184**

107. Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.

#### **Directors power of contract with Company**

108. Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

### **ROTATION OF DIRECTORS**

#### **Rotation and retirement of Directors**

109. At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

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**Retiring Directors eligible for re-election**

110. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

**Which Directors to retire**

111. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

**Retiring Directors to remain in office till successors are appointed**

112. Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

**Power of General Meeting to increase or reduce number of Directors**

113. Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.

**Power to remove Directors by ordinary resolution**

114. Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

**Rights of persons other than retiring Directors to stand for Directorships**

115. Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".

**Register of Directors and KMP and their shareholding**

116. The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

**Business to be carried on**

117. The business of the Company shall be carried on by the Board of Directors.

**Meeting of the Board**

118. The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.

**Director may summon meeting**

119. A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

**Question how decided**

120. a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
- b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

**Right of continuing Directors when there is no quorum**

121. The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.

**Quorum**

122. The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

**Election of Chairman to the Board**

123. If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

**Chairman Emeritus**

123 A.

- (1) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company.
- (2) The Chairman Emeritus shall hold office until he resigns his office or a special resolution to that effect is passed by the members in a general meeting.
- (3) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote and shall not be deemed to be a party to any decision of the Board or Committee thereof.
- (4) The Chairman Emeritus shall not be deemed to be a director for any purposes of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.
- (5) The Board may decide to make any payment in any manner for any services rendered by the Chairman Emeritus to the Company.

- (6) If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus.”

#### **Power to appoint Committees and to delegate**

124. a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

#### **Delegation of powers**

- b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.
- c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

#### **Proceedings of Committee**

125. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.

#### **Election of Chairman of the Committee**

126. a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
- b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

#### **Question how determined**

127. a. A Committee may meet and adjourn as it thinks proper.
- b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

#### **Acts done by Board or Committee valid, notwithstanding defective appointment, etc.**

128. All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.

#### **Resolution by circulation**

129. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

### **POWERS AND DUTIES OF DIRECTORS**

#### **General powers of Company vested in Directors**

130. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by



the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

#### **Attorney of the Company**

131. The Board may appoint at any time and from time to time by a power of attorney under the signature of two Directors and the Company Secretary of the Company, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

#### **Power to authorise subdelegation**

132. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

#### **Directors' duty to comply with the provisions of the Act**

133. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

#### **Special power of Directors**

134. In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.

#### **To acquire and dispose of property and rights**

135. a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

#### **To pay for property in debentures, etc.**

- b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

#### **To secure contracts by mortgages**

- c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.

#### **To appoint officers, etc.**

- d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.
- e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

#### **To refer to arbitration**

- f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

**To give receipt**

- g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.

**To act in matters of bankrupts and insolvents**

- h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

**To give security by way of indemnity**

- i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

**To give commission**

- j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.

**To make contracts etc.**

- k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

**To make bye-laws**

- l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.

**To set aside profits for provided fund**

- m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

**To make and alter rules**

- n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.
- o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

**Managing Director**

136. a. Subject to the provisions of Section 196, 197, 2(94), 203 of the Act, the following provisions shall apply:
- b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.
- c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.
- d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.
- e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.

- f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

#### **Whole-time Director**

137. 1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.
2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

#### **Secretary**

138. The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.

#### **Powers as to commencement of business**

139. Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

#### **Delegation of power**

140. Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

### **BORROWING**

#### **Borrowing Powers**

141. a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the

Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

#### **Assignment of debentures**

142. Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

#### **Terms of debenture issue**

143. a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.
- c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.
- d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.
- e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.

#### **Charge on uncalled capital**

144. Any uncalled capital of the Company may be included in or charged by mortgage or other security.

#### **Subsequent assignees of uncalled capital**

145. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

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**Charge in favour of Director of indemnity**

146. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

**Powers to be exercised by Board only at meeting**

147. a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.
- (a) to make calls on shareholders in respect of money unpaid on their shares;
  - (b) to authorise buy-back of securities under section 68;
  - (c) to issue securities, including debentures, whether in or outside India;
  - (d) to borrow monies;
  - (e) to invest the funds of the company;
  - (f) to grant loans or give guarantee or provide security in respect of loans;
  - (g) to approve financial statement and the Board's report;
  - (h) to diversify the business of the company;
  - (i) to approve amalgamation, merger or reconstruction;
  - (j) to take over a company or acquire a controlling or substantial stake in another company;
  - (k) to make political contributions;
  - (l) to appoint or remove key managerial personnel (KMP);
  - (m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
  - (n) to appoint internal auditors and secretarial auditor;
  - (o) to take note of the disclosure of director's interest and shareholding;
  - (p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
  - (q) to invite or accept or renew public deposits and related matters;
  - (r) to review or change the terms and conditions of public deposit;
  - (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.
  - (t) such other business as may be prescribed by the Act.
- b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.
- c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.
- d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.
- e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

**Register of mortgage to be kept**

148. The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly

comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

#### **Register of holders of debentures**

149. Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

#### **Inspection of copies of and Register of Mortgages**

150. The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

#### **Supplying copies of register of holder of debentures**

151. The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

#### **Right of holders of debentures as to Financial Statements**

152. Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

#### **Minutes**

153. a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
- b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

#### **Managing Director's power to be exercised severally**

154. All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.

### **MANAGER**

#### **Manager**

155. Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

### **DIVIDENDS AND RESERVES**

#### **Rights to Dividend**

156. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

#### **Declaration of Dividends**

157. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

#### **What to be deemed net profits**

158. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

#### **Interim Dividend**

159. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

**Dividends to be paid out of profits only**

160. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

**Reserve Funds**

163. a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

**Method of payment of dividend**

164. a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.

**Deduction of arrears**

165. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.

**Adjustment of dividend against call**

166. Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

**Payment by cheque or warrant**

167. a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

**Retention in certain cases**

168. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

**Receipt of joint holders**

- (A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:

- a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.

#### **Deduction of arrears**

169. Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

#### **Notice of Dividends**

170. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

#### **Dividend not to bear interest**

171. No dividend shall bear interest against the Company.

#### **Unclaimed Dividend**

172. No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

#### **Transfer of share not to pass prior Dividend**

173. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

### **CAPITALISATION OF PROFITS**

#### **Capitalisation of Profits**

174. a. The Company in General Meeting, may on the recommendation of the Board, resolve:
1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
  2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:
1. paying up any amount for the time being unpaid on any share held by such members respectively;
  2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
  3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).
- c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

#### **Powers of Directors for declaration of Bonus**

175. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and



2. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:
    1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
    2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.
  - c. Any agreement made under such authority shall be effective and binding on all such members.

## **ACCOUNTS**

### **Books of account to be kept**

176. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
- b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
- c. The books of accounts shall be open to inspection by any Director during business hours.

### **Where books of account to be kept**

177. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

### **Inspection by members**

178. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

### **Statement of account to be furnished to General Meeting**

179. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

### **Financial Statements**

180. Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

### **Authentication of Financial Statements**

181. a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
- b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

### **Auditors Report to be annexed**

182. The Auditor's Report shall be attached to the financial statements.

### **Board's Report to be attached to Financial Statements**

183. a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.

- b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.
- e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.

#### **Right of member to copies of Financial Statements**

184. The Company shall comply with the requirements of Section 136.

### **ANNUAL RETURNS**

#### **Annual Returns**

185. The Company shall make the requisite annual return in accordance with Section 92 of the Act.

### **AUDIT**

#### **Accounts to be audited**

186. a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
- d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.
- f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and
2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
- g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions

of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.

- i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.

#### **Audit of Branch Offices**

187. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

#### **Remuneration of Auditors**

188. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.

#### **Rights and duties of Auditors**

189. a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.
- b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
- c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:
1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
  2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.
- d. The Auditor's Report shall also state:
- (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
  - (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
  - (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
  - (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
  - (e) whether, in his opinion, the financial statements comply with the accounting standards;
  - (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
  - (g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;
  - (h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
  - (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;

- (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
  - (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.
- f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

#### **Accounts whether audited and approved to be conclusive**

190. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

#### **Service of documents on the Company**

191. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

#### **How documents to be served to members**

192. a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.
- b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- c. Where a document is sent by post:
- i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;
    - a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
    - b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.

#### **Members to notify address in India**

193. Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

#### **Service on members having no registered address in India**

194. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

#### **Service on persons acquiring shares on death or insolvency of members**

195. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

**Notice valid though member deceased**

196. Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

**Persons entitled to Notice of General Meeting**

197. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;
- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
  - (b) the auditor or auditors of the company; and
  - (c) every director of the company.

Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

**Advertisement**

198. a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.
- b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

**Transference, etc. bound by prior notices**

199. Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

**How notice to be signed**

200. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

**AUTHENTICATION OF DOCUMENTS**

**Authentication of document and proceeding**

201. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

**WINDING UP**

**Winding up**

202. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

#### **Division of assets of the Company in specie among members**

203. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

### **INDEMNITY AND RESPONSIBILITY**

#### **Directors' and others' right to indemnity**

204. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.
205. Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

### **SECRECY CLAUSE**

206. a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.
- b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

### **REGISTERS, INSPECTION AND COPIES THEREOF**

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207. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.
- b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

#### **BUY-BACK OF SHARES**

208. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL AUTHORITY**

209. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

## SECTION XIV – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus /Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Office No. 3, IT Tower-2, Ground Floor Infocity, Sector-7, Gandhinagar, Gujarat-382007 from date of filing the Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date. Copies of below Material Contracts and Documents are also available on the website of the company on [www.positron-india.com](http://www.positron-india.com).

#### A. MATERIAL CONTRACTS

1. Issue Agreement dated February 23, 2024 executed between our Company and Book Running Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated February 23, 2024 executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated July 26, 2024, executed between our Company, Book Running Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated July 26, 2024, executed between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated July 26, 2024, executed between our Company, Book Running Lead Manager, and Underwriter.
6. Syndicate Agreement dated July 26, 2024 executed between our Company, Book Running Lead Manager and Syndicate Member
7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated November 29, 2023.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated January 10, 2024.

#### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board Resolution dated February 20, 2024 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on February 22, 2024.
3. Copy of Restated Financial Statement– M/s. S V J K and Associates, Chartered Accountants, Ahmedabad for the year ended March 31, 2024, 2023 and 2022, dated August 02, 2024 included in the Red Herring Prospectus.
4. Copy of Audited Standalone and Consolidated Financial Statement for the year ended on March 31, 2024, 2023 and 2022.
5. Certificate from M/S. S V J K and Associates, Chartered Accountants, Ahmedabad, dated August 02, 2024 regarding Basis of Issue Price and Key Performance Indicators.
6. Certificate from M/S. S V J K and Associates, Chartered Accountants, Ahmedabad, dated August 02, 2024 regarding Statement of Special Tax Benefit.
7. Certificate from M/s. Abhishek Kumar & Associates, Chartered Accountants, Ahmedabad, dated August 05, 2024 regarding the source and deployment of funds towards the objects of the Issue.
8. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Chief Executive Officer, Statutory Auditor, Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, BRLM to the Issue, Registrar to the Issue, Banker to the Issue, Market Maker, Underwriter to the Issue and Syndicate member to act in their respective capacities.
9. Due Diligence Certificate from Book Running Lead Manager dated August 05, 2024 addressing SEBI and NSE Emerge, as the case may be.
10. Copy of In-principle approval letter dated July 03, 2024 from the NSE.

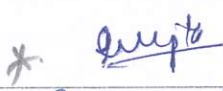
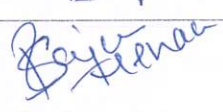
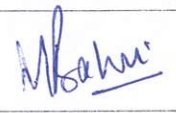
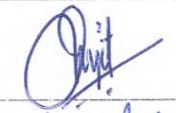
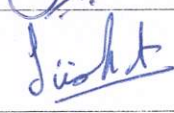



Any of the contracts or documents mentioned in the Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.


## DECLARATION

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Dr. Safalta Sachin Gupta	Chairman & Independent Director	* 
Mr. Rajiv Shankarankutty Menon	Managing Director	
Mr. Manav Bahri	Whole Time Director & CEO	
Mr. Sujit Sugathan	Whole Time Director & CFO	
Mr. Suresh Ayyappankutty	Non-Executive Director	
Mr. Kothari Devanutosh	Independent Director	* 

Signed by:

Name	Designation	Signature
Mr. Devang Ashvinkumar Shah	Company Secretary and Compliance Officer	

Place: Gandhinagar

Date: 05-08-2024