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SUNGARNER ENERGIES LIMITED
CIN: U34100DL2015PLC279632

PROSPECTUS

Dated: August 12, 2023

100% Fixed Price Issue

Please read Section 26 and 32 of Companies Act, 2013

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL & TELEPHONE | WEBSITE |
|--|---|---|--|--|
| 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India | Plot No. 113, Udyog Kendra-II, Greater Noida, Gautam Budh Nagar, Uttar Pradesh- 201306, India | Mr. Anup Kumar Pandey Company Secretary & Compliance Officer | legal@sungarner.com ; cfo@sungarner.com +917428296411 | www.sungarner.com |
| NAME OF PROMOTER(S) OF THE COMPANY | | | | |
| MR. SUMIT TIWARI AND MRS. SNIGDHA TIWARI | | | | |
| DETAILS OF OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS | | | | |
| Type | Fresh Issue Size (by amount in Rs. Lakh) | OFS* Size (by amount in Rs. Lakh) | Total Issue Size (by amount in Rs. Lakh) | Eligibility & Share Reservation among NII & RII |
| Fresh Issue | 531.20 Lakh | Nil | 531.20 Lakh | The Issue is being made pursuant to Regulation 229 of SEBI (ICDR) Regulations as the Company's post issue paid-up capital is less than 10.00 Cr. For details in relation to share reservation among NIIs and RIIs, see "Issue Structure" on page 260 of this Prospectus. |
| *OFS: Offer for Sale | | | | |
| Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders) | | | | |
| Name | Type | No. of shares offered/ Amount in Rs. | WACA in Rs. Per Equity Shares | |
| Nil | | | | |
| P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis | | | | |
| RISKS IN RELATION TO THE FIRST ISSUE | | | | |
| This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 8 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 74 of this prospectus) 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 RISK | | | | |
| Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 23 of this Prospectus. | | | | |
| ISSUER'S ABSOLUTE RESPONSIBILITY | | | | |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this 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 make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. | | | | |
| LISTING | | | | |
| The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated July 18, 2023 from National Stock Exchange of India Limited for using its name in the Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange. | | | | |
| LEAD MANAGER TO THE ISSUE | | | REGISTRAR TO THE ISSUE | |
|  Fastrack Finsec Category-1 Merchant Banker FAST TRACK FINSEC PRIVATE LIMITED SEBI Registration No. INM000012500 B-502, Statesman House, 148, Barakhambha Road, New Delhi – 110 001 Tel No.: +91-11-43029809 Contact Person: Mr. Vikas Kumar Verma Email: vikasverma@ftfinsec.com ; investor@ftfinsec.com Website: www.ftfinsec.com | | |  SKYLINE FINANCIAL SERVICES PRIVATE LIMITED SEBI Registration No.: INR000003241 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 Tel No: +91-11-40450193-97; Fax No: +91-11-26812683 Contact Person: Mr. Anuj Rana Email: compliances@skylinerta.com Website: www.skylinerta.com | |
| OFFER PROGRAMME | | | | |
| ISSUE OPENS ON: AUGUST 21, 2023 | | | ISSUE CLOSES ON: AUGUST 23, 2023 | |



SUNGARNER ENERGIES LIMITED

Our Company was originally incorporated as a private limited company under the Companies Act, 2013 in the name and style of "Sungarner Energies Private Limited" bearing Corporate Identification Number U34100DL2015PTC279632 dated April 30, 2015 issued by the Registrar of Companies, Delhi. Subsequently, our Company was converted into public limited company pursuant to a shareholders' resolution passed at an Annual General Meeting held on September 30, 2022, and name of our Company was changed to "Sungarner Energies Limited" and a fresh Certificate of Incorporation dated November 17, 2022, was issued by Registrar of Companies, Delhi. As on date of this Prospectus, the Corporate Identification Number of our Company is U34100DL2015PLC279632. For further details of incorporation please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page 134 of this Prospectus.

Registered Office: 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India
Corporate Office: Plot No. 113, Udyog Kendra-II, Greater Noida, Gautam Budh Nagar, Uttar Pradesh- 201306, India
Tel: +91-7428296411, **Website:** www.sungarner.com, **E-mail:** legal@sungarner.com; cfo@sungarner.com

Company Secretary and Compliance Officer: Mr. Anup Kumar Pandey

PROMOTER(S): MR. SUMIT TIWARI AND MRS. SNIGDHA TIWARI

THE ISSUE

INITIAL PUBLIC OFFER OF 6,40,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF SUNGARNER ENERGIES LIMITED ("ISSUER" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. 83/- PER EQUITY SHARE ("ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. 73/- PER EQUITY SHARE), AGGREGATING TO RS. 531.20 LAKHS ("THE ISSUE"), OUT OF WHICH, 57,600 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 83/- PER EQUITY SHARE AGGREGATING TO RS. 47.80 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 5,82,400 EQUITY SHARES OF FACE VALUE OF RS. 10.00/- EACH AT AN ISSUE PRICE OF RS. 83/- PER EQUITY SHARE AGGREGATING TO RS. 483.39 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.60% AND 25.12%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 227 OF THIS PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS RS.10/- EACH AND THE ISSUE PRICE OF RS. 83/- IS 8 TIMES OF THE FACE VALUE.

This Issue is being made in terms of Regulation 252 of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI (ICDR) Regulations"), as amended read with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. This is an issue for at least 25% of the post-issue Paid-up Equity Share Capital of our Company. This Issue is a Fixed Price issue and allocation in the Net Issue to the public will be made in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, wherein a minimum of 50% of the Net Issue is allocated for Retail Individual Investors and the balance shall be offered to individual applicants other than Retail Individual Investors and other investors including corporate bodies or institutions, QIBs and Non -Institutional Applicants. However, if the aggregate demand from the Retail Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Investors category is entitled to more than 50% on proportionate basis, the Retail Individual Investors shall be allocated that higher percentage. For further details please refer the section titled "Issue Information" beginning on page 227 of this Prospectus.

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 234 of this Prospectus. A copy of Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10/-. The Issue Price as stated under the chapter titled "Basis for the Issue Price" beginning on page 74 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after such 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 this Issue, including the risks involved. The Equity Shares 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 Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 23 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this 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 make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated July 18, 2023 from National Stock Exchange of India Limited for using its name in the Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE



Fastrack Finsec
Category-1 Merchant Banker

FAST TRACK FINSEC PRIVATE LIMITED

SEBI Registration No. INM000012500
 B-502, Statesman House, 148, Barakhambha Road, New Delhi – 110 001
Tel No.: +91-11-43029809
Contact Person: Mr. Vikas Kumar Verma
Email: vikasverma@ftfinsec.com; investor@ftfinsec.com
Website: www.ftfinsec.com

REGISTRAR TO THE ISSUE



SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

SEBI Registration No.: INR000003241
 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel No: +91-11-40450193-97; **Fax No:** +91-11-26812683
Contact Person: Mr. Anuj Rana
Email: compliances@skylinerta.com
Website: www.skylinerta.com;

OFFER PROGRAMME

ISSUE OPENS ON: AUGUST 21, 2023

ISSUE CLOSES ON: AUGUST 23, 2023

THIS PAGE HAS BEEN LEFT BLANK PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

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

General Terms

| Term | Description |
|--|---|
| “Sungarner” or “SEL”, “We” or “us” or “our Company” or “the Issuer” or “the Company” | Unless the context otherwise requires, refers to Sungarner Energies Limited, a company incorporated under the Companies Act, 2013, vide Corporate Identification Number U34100DL2015PLC279632 and having registered office at 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India. |

Company Related Terms

| Terms | Description |
|---|---|
| Articles / Articles of Association | Unless the context otherwise requires, refers to the Articles of Association of Sungarner Energies Limited, as amended from time to time. |
| Associate Companies | A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company. |
| Audit Committee | The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 139 of this Prospectus. |
| Auditors/ Statutory Auditors | The Statutory Auditors of our Company, being M/s Kapish Jain & Associates Chartered Accountants having firm registration number 022743N. |
| Board of Directors / Board/ Director(s) | The Board of Directors of Sungarner Energies Limited, including all duly constituted committees thereof. |
| Central Registration Centre (CRC) | It’s an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details please refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html |
| Companies Act | The Companies Act, 2013 |

| Terms | Description |
|---|---|
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Mr. Anup Kumar Pandey |
| Corporate Office | Plot No. 113, Udyog Kendra-II, Greater Noida, Gautam Budh Nagar, Uttar Pradesh-201306, India |
| Chief Financial Officer | The Chief Financial Officer of our Company being Mrs. Akansha Jain. |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| Equity Shares | Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof. |
| Equity Shareholders | Persons holding equity shares of our Company. |
| Group Companies | The group companies of our Company, includes companies (other than promoter and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in “Our Group Entities” on page 158 of this Prospectus. |
| HUF | Hindu Undivided Family. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| 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 chapter titled “Our Management” on page 139 of this Prospectus. |
| MOA / Memorandum of Association | Memorandum of Association of Sungarner Energies Limited. |
| Non-Residents | A person resident outside India, as defined under FEMA. |
| Nomination and Remuneration Committee | The committee of the Board of Directors constituted as the Company’s Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 139 of this Prospectus. |
| NRI / Non-Resident Indians | A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. |
| Person or 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 validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Promoters or Our Promoters | Promoter of our company being, Mr. Sumit Tiwari and Mrs. Snigdha Tiwari |
| Promoters Group | The 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 Group”. For further details refer page 156 of this Prospectus. |
| Registered Office | The Registered of our company which is located at 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India. |

| | |
|--|---|
| Restated Financial Statements | The Restated Financial statements of our Company for year ended as at March 31, 2023; March 31, 2022 & March 31, 2021 and the restated statements of profit and loss for the year ended March 31, 2023; March 31, 2022 & March 31, 2021 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| RoC | Registrar of Companies, NCT of Delhi & Haryana. |
| SEBI | 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 (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| SEBI (LODR) Regulations | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. |
| SEBI (Takeover) Regulations or SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time. |
| Stakeholders' Relationship Committee | The committee of the Board of Directors constituted as the Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 139 of this Prospectus. |
| Stock Exchange | Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited. |
| Subsidiary | For details of our Subsidiary, refer section titled "History and Certain Corporate Matters" beginning on page no. 134 of this Prospectus. |

Offer Related Terms

| Terms | Description |
|--|--|
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form |
| Allotment/ Allot/ Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange |
| Allottee | The successful applicant to whom the Equity Shares are being / have been allotted. |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus. |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue. |
| ASBA/ Application Supported by Blocked Amount. | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB. |

| Terms | Description |
|--|---|
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant. |
| ASBA Application Location(s)/ Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process. |
| Banker(s) to the Issue/ Public Issue Bank(s). | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited. |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 234 of this Prospectus. |
| Business Day | Monday to Friday (except public holidays) |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in ; or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996. |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Designated Date | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants. |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited. (NSE EMERGE) |
| Draft Prospectus | Draft Prospectus filed with NSE Emerge for obtaining In- Principle Approval. |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein. |
| Emerge Platform of NSE Limited | The Emerge Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange. |
| First/ Sole Applicant | The applicant whose name appears first in the Application Form or Revision Form. |
| General Information Document / GID | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular |

| Terms | Description |
|--|---|
| | (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI and included in the chapter “Issue Procedure” on page no. 234 of this Red Herring Prospectus. |
| Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/ IPO | Initial Public Issue of 6,40,000 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. 83/- per Equity Share (including a premium of Rs. 73/- per Equity Share) aggregating Rs. 531.20 Lakhs. |
| Issue Agreement/ Memorandum of Understanding (MOU) | The agreement/MOU dated March 04, 2023 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing Date | The date on which Issue closes for subscription i.e. August 21, 2023 |
| Issue Opening Date | The date on which Issue opens for subscription i.e. August 23, 2023 |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application. |
| Issue Price | The price at which the equity shares are being issued by our Company under this Prospectus being Rs. 83/- per Equity Share of face value of Rs.10/- each fully paid. |
| Issue Proceeds | Proceeds from the Issue will be, being Rs. 531.20 Lakhs. |
| LM / Lead Manager | Lead Manager to the Issue, in this case being Fast Track Finsec Private Limited. |
| Listing Agreement | The equity listing agreement to be signed between our Company and the NSE Limited. |
| Market Maker | Market Makers appointed by our Company from time to time being Nikunj Stock Broker Limited having SEBI registration number INZ000169335 who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time. |
| Market Making Agreement | The Agreement entered into between the Lead Manager, Market Maker and our Company dated July 26, 2023 |
| Market Maker Reservation | The Reserved Portion of 57,600 equity shares of face value of Rs.10/- each fully paid for cash at a price of Rs. 83/- per equity share aggregating Rs. 47.80 Lakh for the Market Maker in this Issue. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue/ Offer | The Issue (excluding the Market Maker Reservation Portion) of 5,82,400 Equity Shares of Rs.10/- each of Issuer at Rs. 83/- (including share premium of Rs. 73/- per equity share aggregating to Rs. 483.39 Lakh. |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 69 of this Prospectus. |
| Non-Institutional Applicants | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000. |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs |

| Terms | Description |
|--|---|
| | are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable. |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. ICICI Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Prospectus | The Prospectus, which is to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information. |
| Qualified Institutional Buyers / QIBs | As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India. |
| Refund Account | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur. |
| Refund Bank | The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being ICICI Bank Limited. |
| Refunds through electronic transfer of funds | Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable |
| Registrar/ Registrar to the Offer | Registrar to the Offer being Skyline Financial Services Private Limited For more information please refer “General Information” on page 46 of this Prospectus. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time. |
| Retail Individual Investors | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000. |
| SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time. |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to |

| Terms | Description |
|------------------------|--|
| | push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being ICICI Bank Limited. |
| Underwriter | Underwriter to this Issue is Fast Track Finsec Private Limited |
| Underwriting Agreement | The agreement dated March 04, 2023 entered into between Fast Track Finsec Private Limited and our Company. |
| Working Days | <p>In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Prospectus are open for business.</p> <ol style="list-style-type: none"> 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business. 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI. |

Conventional Terms / General Terms / Abbreviations

| Abbreviation | Full Form |
|--------------|---|
| A/c | Account |
| AC | Alternating current |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| BSE | BSE Limited |
| BIS | Bureau of Indian Standards |
| CAGR | Compounded Annual Growth Rate |
| Carpet Area | The area of the apartment excluding the thickness of inner walls. |
| CDSL | Central Depository Services (India) Limited |
| CEEW | Council on Energy, Environment and Water |
| CERC | Central Electricity Regulatory Commission |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| DC | Direct Current |
| DIN | Director Identification Number |
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EPS | Earnings Per Share |
| EPC | Engineering, Procurement and Construction |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under |

| Abbreviation | Full Form |
|----------------------------|---|
| FDI | Foreign Direct Investment |
| FII's | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |
| F&NG | Father and Natural Guardian |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |
| Gol/Government | Government of India |
| GW | Gigawatts, Further 1 GW is equivalent to 1,000 MW |
| HUF | Hindu Undivided Family |
| IT | Information Technology |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| ICSI | Institute of Company Secretaries of India |
| KPI | Key Performance Indicator |
| KW | Kilowatt |
| KVA | kilovolt-ampere |
| MAPIN | Market Participants and Investors' Integrated Database |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MPPT | Maximum Power Point Tracking |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| MW | Megawatt |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NGT | National Green Tribunal |
| No. | Number |
| NPV | Net Present Value |
| NRE Account | Non-Resident External Account |
| NRI's | Non-Resident Indians |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| NSM | National Solar Mission |
| OCB | Overseas Corporate Bodies |
| OSP | Other Service Provider |
| p.a. | per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAC | Persons Acting in Concert |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| Plots | Parcel of land demarcated through boundary |
| PWM | Pulse-width modulation |

| Abbreviation | Full Form |
|----------------------------|---|
| PV Module | Photovoltaic modules |
| QIC | Quarterly Income Certificate |
| RBI | The Reserve Bank of India |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Bn | Billion |
| Rs. | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| RERA | Real Estate Regulatory Authority |
| SCRA | Securities Contract (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| Sec. | Section |
| STT | Securities Transaction Tax |
| Super Area | The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the Unites States of America |
| UPI | Unified payments interface which is an instant payment mechanism, developed by NPCI |
| 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, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI). |
| UPI Mandate Request | The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bid Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 |
| UPI PIN | Password to authenticate UPI transaction |
| UPS | Uninterruptible Power Supply |
| VCF / Venture Capital Fund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |

Notwithstanding the foregoing:

1. In the section titled “Main Provisions of the Articles of Association” beginning on page number 263 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 15 and 103 respectively, of the Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled “Risk Factors” beginning on page number 23 of the Prospectus, defined terms shall have the meaning given to such terms in that section;



4. *In the chapter titled “Statement of Tax Benefits” beginning on page number 82 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
5. *In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 200 of the Prospectus, defined terms shall have the meaning given to such terms in that section.*

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CERTAIN CONVENTION, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

CERTAIN CONVENTION

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” “SEL”, unless the context otherwise indicates or implies, refers to “Sungarner Energies Limited”.

All references in this Prospectus to “India” are to the Republic of India.

Our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 164 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements, as Restated” beginning on page 164 of this Prospectus.

CURRENCY AND UNITS OF PRESENTATION

In this Prospectus, references to Rupees or INR or Rs. are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million / Million / Mn refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means one hundred thousand and Crore means ten millions and billion / bn./ Billions means one hundred crores.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout the Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the 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.

EXCHANGE RATE

This Prospectus may contain conversion of certain other currency amounts into Indian Rupees that has 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.

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FORWARD LOOKING STATEMENTS

All statements contained in the Prospectus that are not statements of historical facts constitute forward-looking statements". All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Prospectus regarding matters that are not historical Facts. These forward looking statements and any other projections contained in the Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward looking statements can generally be identified by words or phrases such as "will", "aim", "will likely 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. 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 Company's inability to meet its working capital requirements or maintain its existing credit facilities
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Disruption in supply of our Raw material;
- Our inability to maintain quality standards;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations
- Changes in government policies and regulatory actions that apply to or affect our business;
- Changes in the competition landscape;
- Our inability to respond to new innovations in our industry;
- Any adverse outcome in the legal proceedings in which we and our promoters are involved;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- General social and political conditions in India which have an impact on our business activities or investments;
- Adverse natural calamities having significant impact on our business;
- Other Factors beyond our control
- Developments affecting the Indian economy;
- Loss of consumers;

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 23, 103 and 200, respectively of this Prospectus.

Forward looking statements reflects views as of the date of the Prospectus and not a guarantee of future performance. 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. Neither our Company / our Directors nor the Lead Manager, nor any of its



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 Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

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SECTION II - SUMMARY OF OFFER DOCUMENTS

This section is a general summary of certain disclosures included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this 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 Prospectus, including the sections titled 'Risk Factors', 'The Issue', 'Capital Structure', 'Objects of the Issue', 'Industry Overview', 'Our Business', 'Restated Financial Information', 'Outstanding Litigation and Material Developments', 'Issue Procedure' and 'Main Provisions of the Articles of Association' beginning on at pages 23, 42, 54, 69, 85, 103, 164, 210, 234 and 263 respectively, of this Prospectus.

SUMMARY OF OUR BUSINESS OVERVIEW

Sungarner Energies Limited was founded and promoted by Mr. Sumit Tiwari in year 2015, with a motive of providing efficient and low-cost power solutions. Our Company is offering a wide range of power solutions such as Solar Power, UPS, Batteries, Inverters and Solar Panels. We provide solutions like design and engineering services in power sector to our customers.

At the start of our Journey "SEL" was a Design Engineering and Solar EPC company and gradually company also diversified into Manufacturing of Power Electronics and Energy storage Products. Today Sungarner Energies Limited is also into manufacturing of Solar Inverters, Online UPS Systems, EV Chargers, and Lead Acid Batteries. SunGarner has also obtained WMI code for manufacturing of EV Vehicles (although we have only developed prototype only and have not started full scale manufacturing of EV Vehicles). Company recognized the need for a dedicated R&D facility to innovate new product lines and it established in-house R&D facility in 2017 and staffed it with experts. This facility helped us adopt Various Advance features e.g., for Solar Inverters the advanced Maximum Power Point Technology "MPPT" - this is a well-known algorithm that helps in extracting maximum available power from a PV module in any given condition. We established our first in-house product unit for Power Products in 2018.

Our Company is offering wide range of power solutions such as Solar Power, UPS, Batteries, and Inverters. Our company is also engaged in the trading of solar panel business. We provide solutions, design and engineering services to our customers. Our Company leadership team consists of our promoters and other directors and KMPs who have a rich experience in the field of solar energy. This has made our company a highly acclaimed and trusted enterprise with a focus on innovation and sustained growth. We are having a professional managed team to execute our projects having vast techno-commercial knowledge and experience. Furthermore, our company also provide various kind of services such as Solar Power Plants Projects, Solar Power Generation System and Operation & maintenance thereof.

Sungarner Energies Limited produces lead acid batteries of varying capacities in the range from 12 Volts 40 ampere-hour to 12 volts 300 ampere-hours. Today SunGarner Products are available through its Distributors in to be successful in Lead acid batteries business apart from quality product distribution & Brand recognition is the backbone for growth in revenue. We have already established distribution network in some of the key markets like Haryana, UP, Bihar, Rajasthan, and Assam. SunGarner Today has 6 (six) service Centres in India - Delhi, UP Haryana, Bihar Assam, Bengal. SunGarner is in the process in expanding it's footprint further by appointing additional 500 Franchisee to cover all major Districts of India by end of 2025. Also, SunGarner has also started exports in last 2 years and has exported its products to Nigeria, Lebanon, Nepal, Dubai and Bhutan.

SunGarner Solar EPC Division has till date commissioned more than 50 (fifty) large Solar Projects in last 8 years. Some of the prestigious projects that we have commissioned are for customers like Interglobe Enterprises, DLF, Jubilant Life Sciences, Eli Lilly, Modi Xerox, V N Dyers and Textiles, The ITC Hotels Delhi, The India Thermit Nagpur, Sarovar Portico Lucknow, Satyam Hospital Ludhiana, Dayawati Modi School Rampur to name a few. Further, we have also forayed into international projects by installing the largest solar power project in Bhutan in 2021.

SUMMARY OF OUR INDUSTRY

Solar Power Industry

India is a fast developing economy and due to high growth in the economy coupled with the fact that per capita consumption of electricity is playing catch up with the developed economies (as India's per capita consumption of electricity is still low), the demand for power has been continuously increasing in India. To meet this rising demand for electricity, absence of fossil fuels in India and India's commitment to Climate Change, India is aggressively moving ahead to increase the share of renewable energy in total power generation capacity in India. Solar power is a fast developing industry in India. The country's total installed capacity in Solar Power was 63.303 GWAC as of 31 December 2022. Solar power generation in India ranks fourth globally in 2021. With the gradual decrease in capex costs involved in executing a SPV project, the project developers are coming forward with a renewed interest in the solar sector. Although the commercialization of CSP technology has so far been very limited globally, the increasing support from CERC and SERCs in the form of aggressive feed in tariff (FIT) mechanism and technological breakthroughs will give a further push to the penetration of this technology in solar business. Surprisingly low bids under JNNSM and signing of PPAs of massive capacities is just an indication of the promising future of Solar power in India.

The Inverter Market

With the sudden increase in demand, dealers are unable to meet requirements. This again, is opportunistic for companies making solar inverters. The Indian PV market has been growing and with the National Solar Mission, and increasing number of players eyeing the market, the solar inverter market shows promise. The push from the government on the PV market has propelled companies to expand their production. The growing usage of power inverters in the residential sector is augmenting the market growth in India. With rapid urbanisation and growing disposable incomes, coupled with the rising ownership of consumer electronics such as televisions, smartphones, and refrigerators, among others, the utilisation of power inverters to ensure seamless electricity supply is growing. The growing prevalence of power cuts, especially in rural and semi-urban regions, is boosting the demand for cost-effective power inverters. Moreover, the India power inverter market is being fuelled by the surging launches of compact, efficient, safe, low maintenance inverters with high-rated performance and minimal carbon footprint. The India power inverter market attained a value of about USD 4.20 billion in 2021. The market is further estimated to grow in the forecast period of 2023-2028 at a CAGR of 14.6% to reach nearly USD 9.81 billion by 2027.

Battery Industry

The Indian Battery Market is segmented by Technology (Lithium-ion Battery, Lead-acid Battery, and Other Technologies) and by Application (SLI Batteries, Industrial Batteries (Motive, Stationary (Telecom, UPS, Energy Storage Systems (ESS), etc.), Portable (Consumer Electronics, etc.), Automotive Batteries (HEV, PHEV, and EV), and Other Applications).

The global battery market size was valued at USD 104.31 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 15.8% from 2023 to 2030. The high use of UPS devices in healthcare, chemical, and oil & gas sectors for continuous power supply is expected to propel the growth of the battery market. Lead acid batteries are used for critical applications because of their high reliability and low cost. However, lithium-ion battery is expected to capture a significant portion of the lead acid battery market during the forecast period on account of their low energy density and lightweight. The U.S. market is anticipated to



witness substantial growth in the forecast period owing to favorable government policies and increasing electric vehicle and consumer electronics sales in the country.

Electrical Accessories Market

India electrical materials market was valued at USD 5969.13 Million in FY2020 and is projected to grow at double digit CAGR of 17.88% during the forecast years, to reach USD 9714.33 Million through FY2026. To accommodate the rapidly growing population of India, there has been a significant rise in construction activities, which has been led to a boost in demand for electrical materials market in India. Growing number of commercial spaces and short-term expansion of construction activities driven by fiscal support and government policies is creating a market opportunity for electrical materials manufacturers in India. Innovations in electrical materials by major market player, adapting sustainable technologies is also one of the factors attributing to growth of India electrical market.

Apart from increasing use in construction sector, electrical materials are witnessing increasing used in various industries such as power plants, refinery cement industry, steel, mining, among others. The Indian government and various state governments seem to be making rapid progress in boosting the country's industrial sector. Over the next 10-15 years, industrialization in India is likely to continue its growth momentum, which is expected to create significant opportunities for electrical materials in the industrial sector.

Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate power infrastructure is essential for sustained growth of the Indian economy. The fundamental principle of India's power industry has been to provide universal access to affordable power in a sustainable way. The Ministry of Power has made significant efforts over the past few years to turn the country from one with a power shortage to one with a surplus by establishing a single national grid, fortifying the distribution network, and achieving universal household electrification.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power, to viable non-conventional sources such as wind, solar, agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

PROMOTERS

The promoters of our Company are Mr. Sumit Tiwari and Mrs. Snigdha Tiwari. For detailed information please refer chapter titled "Our Promoters" and "Our Promoter Group" on page number 152 and 156 respectively of this Prospectus.

OFFER SIZE

The following table summarizes the details of the Offer size:

| | |
|-------------------------------|--|
| Offer of equity shares | 6,40,000 equity shares of face value to Rs. 10/- each at a price of Rs. 83 aggregating to Rs. 531.20 lakhs. |
| of which | |
| Fresh Issue | 6,40,000 Equity Shares of face value to Rs. 10/- each at a price of Rs. 83/- each aggregating to Rs. 531.20 Lakhs. |

| | |
|--|---|
| Offer for Sale | Not Applicable |
| Market Maker | 57,600 Equity Shares of face value to Rs. 10/- each at a price of Rs. 83/- each aggregating to Rs. 47.80 Lakhs. |
| Net Issue (Fresh Issue – Market Maker) | 5,82,400 Equity Shares of Rs.10/- each at a price of Rs. 83/- each aggregating to Rs. 483.39 Lakhs. |
| Out of net issue to public | |
| Allocation to retail individual investor | 2,91,200 Equity Shares of Rs.10/- each at a price of Rs. 83/- each aggregating to Rs. 241.69 Lakhs. |
| Allocation to other than retail individual investor | 2,91,200 Equity Shares of Rs.10/- each at a price of Rs. 83/- each aggregating to Rs. 241.69 Lakhs. |

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

| Sr. No. | Particulars | Estimated Amount | % of total issue size | Amount to be financed from Issue Proceeds |
|---------|--------------------------------------|------------------|-----------------------|---|
| A | To meet Working Capital Requirements | 350.00 | 65.89% | 350.00 |
| B | General corporate purposes | 111.20 | 20.93% | 111.20 |
| C | Issue related expenses | 70.00 | 13.18% | 70.00 |
| | Total IPO Proceeds | 531.20 | 100.00% | 531.20 |

*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy. (For further details, please refer chapter “Objects of the Issue” beginning from page no. 69 of this prospectus).

AGGREGATE PRE-ISSUE SHAREHOLDING OF THE PROMOTER AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE ISSUER

| S.No. | Name of share holder | Pre-issue | | Post-issue | |
|--------------------------|----------------------|----------------------|---------------------------|----------------------|----------------------------|
| | | No. of Equity Shares | %age of Pre-Offer Capital | No. of Equity Shares | %age of Post-Offer Capital |
| Promoters | | | | | |
| 1. | Sumit Tiwari | 12,32,975 | 73.45 | 12,32,975 | 53.17 |
| 2. | Snigdha Tiwari | 1,92,500 | 11.47 | 1,92,500 | 8.30 |
| Total – A | | 14,25,475 | 84.92 | 14,25,475 | 61.47 |
| Promoter Group | | | | | |
| 1. | Madhuri | 100 | 0.01 | 100 | Negligible |
| 2. | Amit Tiwari | 100 | 0.01 | 100 | Negligible |
| 3. | Utkarsha Mishra | 100 | 0.01 | 100 | Negligible |
| 4. | Amar Nath Tiwari | 100 | 0.01 | 100 | Negligible |
| Total – B | | 400 | 0.04 | 400 | - |
| Grand Total (A+B) | | 14,25,875 | 84.94 | 14,25,875 | 61.49 |

For further details, see the chapter titled “Capital Structure” beginning on page 54 of this Prospectus.

SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

| Particulars | For the Year ended 31 st March 2023 | For the Year ended 31 st March 2022 | For the Year ended 31 st March 2021 |
|-------------------------------|--|--|--|
| Share Capital | 167.87 | 46.50 | 46.50 |
| Net Worth | 320.54 | 156.23 | 98.73 |
| Total Revenue | 1765.32 | 797.66 | 536.43 |
| Profit after Tax | 74.31 | 57.50 | 15.72 |
| EPS Basic and Diluted | 6.35 | 12.36 | 3.38 |
| NAV per Equity Share (in Rs.) | 19.09 | 33.60 | 21.23 |
| Total borrowings | | | |
| - Long Term | 20.85 | 56.60 | 25.46 |
| - Short Term | 403.26 | 170.02 | 78.32 |

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Peer review auditors.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

| Name | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by regulatory authorities | Amount Involved (Rs.) |
|--------------------------------|------------|-------------------|----------------------|-----------------|-----------------------------------|-----------------------|
| Company | By | - | - | - | - | - |
| | Against | - | - | - | - | - |
| Promoter | By | - | - | - | - | - |
| | Against | - | - | - | - | - |
| Group Companies/Entities | By | - | - | - | - | - |
| | Against | - | - | - | - | - |
| Directors other than promoters | By | - | - | - | - | - |
| | Against | - | - | - | - | - |

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 210 of this Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 23 of this Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of filing this Prospectus there is no contingent liability on the Company.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of Relating Party Transaction for Last Three financial years is provided below:

| Name of the key managerial personnel/Entity | Relationship | | |
|---|--|----------------------|----------------------|
| Sumit Tiwari | Director | | |
| Snigdha Tiwari | Director | | |
| Amit Tiwari (with effect from 10 Sep 2022) | Director | | |
| Rajnish Gaur (with effect from 29 Nov 2022) | Director | | |
| Sudha Singh (with effect from 29 Nov 2022) | Director | | |
| Kavita Wadhwa (till 30 May 2023) | Company Secretary | | |
| Anup Kumar Pandey (with effect from 06 Jul 2023) | Company Secretary | | |
| Akansha Jain (with effect from 18 Nov 2022) | Chief Financial Officer | | |
| Vrindo Nano Technologies Private Limited | Enterprise where key management personnel along with their relative exercise significant influence | | |
| Transactions with Related Parties: (in Lakhs) | | | |
| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Share capital (including security premium) issued to | | | |
| Sumit Tiwari | 118.45 | - | - |
| Snigdha Tiwari | 12.25 | - | - |
| Unsecured borrowing taken during the year | | | |
| Sumit Tiwari | 8.00 | 34.69 | - |
| Snigdha Tiwari | 1.00 | 1.56 | - |
| Unsecured borrowing repaid during the year | | | |
| Sumit Tiwari | 48.00 | 3.30 | - |
| Snigdha Tiwari | 1.40 | 0.73 | 2.34 |
| Remuneration to | | | |
| Sumit Tiwari | 23.25 | 12.06 | 11.42 |
| Snigdha Tiwari | 11.61 | 7.31 | 7.34 |
| Akansha Jain | 3.10 | - | - |
| Sale of Services to | | | |
| Vrinda Nano Technologies Private Limited | 242.74 | 72.13 | 4.93 |
| Purchase of Services from | | | |
| Vrinda Nano Technologies Private Limited | 0.09 | 3.84 | - |
| Balance outstanding at year end (in Lakhs) | | | |
| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Share capital issued (including security premium) | | | |
| Sumit Tiwari | 153.30 | 34.85 | 34.85 |
| Snigdha Tiwari | 19.25 | 7.00 | 7.00 |
| Unsecured loan | | | |
| Sumit Tiwari | 0.10 | 40.10 | 8.71 |
| Snigdha Tiwari | 1.43 | 1.83 | 100 |
| Remuneration payable | | | |
| Sumit Tiwari | 2.98 | - | 0.54 |

| | | | |
|--|-------|------|------|
| Snigdha Tiwari | 0.85 | - | 0.28 |
| Akansha Jain | 0.66 | - | - |
| Receivable from | | | |
| Vrinda Nano Technologies Private Limited | 89.66 | 3.12 | 0.37 |
| | | | |

For details of Related Party Transaction, please refer “Annexure IX” on page 197 of this Prospectus.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Prospectus.

WEIGHTED AVERAGE COST OF ACQUISITION OF EQUITY SHARES BY OUR PROMOTER IN LAST ONE YEAR

The weighted average cost of acquisition of equity shares by our promoters in last one year which has been calculated by taking average amount paid by them to acquire our equity shares is as follows:

| Name of shareholders | No. of shares bought or sold | Weighted Average Price (in Rs.) |
|----------------------|------------------------------|---------------------------------|
| Sumit Tiwari | 8,84,475 | 4.52* |
| Snigdha Tiwari | 1,22,500 | 0** |

* As Certified by M/s Kapish Jain & Associates, chartered accountants dated March 20, 2023.

** As Certified by M/s Kapish Jain & Associates, chartered accountants dated May 15, 2023.

AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share by our promoters which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|----------------------|--------------------|--------------------------------------|
| Sumit Tiwari | 12,32,975 | 6.07* |
| Snigdha Tiwari | 1,92,500 | 3.64** |

* As Certified by M/s Kapish Jain & Associates, chartered accountants dated March 20, 2023.

** As Certified by M/s Kapish Jain & Associates, chartered accountants dated May 15, 2023.

DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus until the listing of the Equity Shares.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, in last one year except as following:

| Sr. No. | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|-------------------|------------------------|------------------|-------------------|--------------------|-------------------------------------|----------------------------|
| 1. | Sumit Tiwari | 1,00,000 | 10.00 | 40.00 | September 13, 2022 | Conversion of Loan | - |
| 2. | Sumit Tiwari | 7,84,875 | 10.00 | - | September 13, 2022 | Bonus Issue in the Ratio of 1.75: 1 | - |
| 3. | Pooja Almadi | 81,375 | 10.00 | - | September 13, 2022 | | - |
| 4. | Snigdha Tiwari | 1,22,500 | 10.00 | - | September 13, 2022 | | - |
| Total | | 10,88,750 | | | | | |

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not done any sub-division of its equity shares in last one year.

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

Our Company has not filed any exemption application with SEBI as on date of this prospectus.

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SECTION III- RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 103 and 200, respectively, of this Prospectus as well as the other financial and statistical information contained in this Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 164 of this Prospectus.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

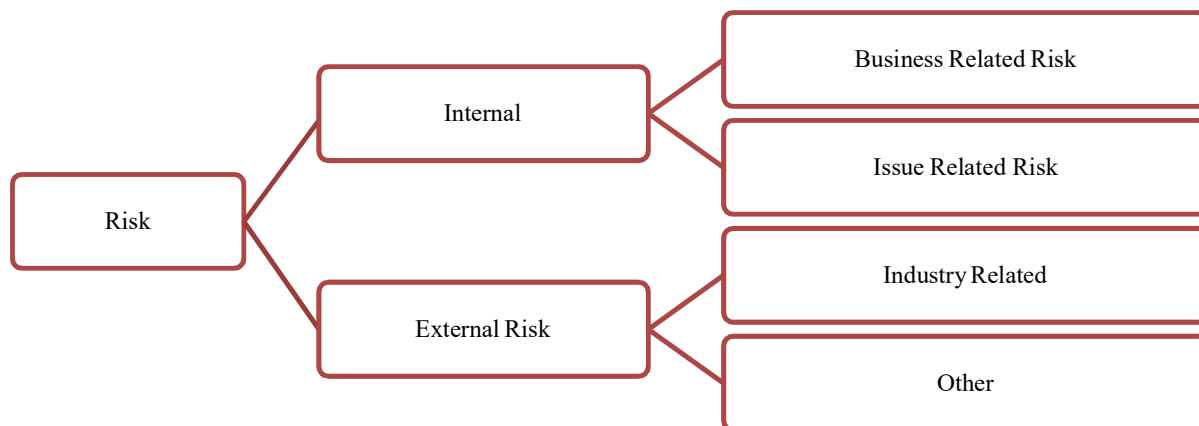
This Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

The Risk factors have been determined based on their materiality, which has been decided based on following factors:

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

Classification of Risk Factors



INTERNAL & BUSINESS RISK FACTORS

1. We do not have long term contracts with our suppliers and therefore, there may be potential unavailability of raw materials in future which may adversely affect our business operations.

There are various raw materials which is essential for manufacturing of Solar inverters and batteries, which is supplied through short term contracts. We procure all the raw material on need basis, after considering quotations from different suppliers, quality of raw material and other relevant factors.

Our business largely depends on the availability of raw material and any shortage of it may adversely affect our financial condition and business operations. If we fail to procure good quality raw material, we may not be able to maintain our production and our business operations and financial results may be adversely affected.

2. Our present promoters of the Company are first generation entrepreneurs.

Our present promoters are first generation entrepreneurs. Their experience in managing and being instrumental in the growth of our Company is limited to the extent of their knowledge and experience and we cannot assure that this will not affect our business growth.

3. Our company unable to work on its full potential and utilized its full capacity for the production and manufacturing of products.

Since our company is into manufacturing and trading business, the capacity utilization is an important factor to determine the strength and potential output that can be produced if capacity was fully used.

The Capacity Utilization trend is given below:

| Products | Unit | Particulars | For the period ended 31 st March, 2023 | For the period ended 31 st March, 2022 | For the period ended 31 st March, 2021 |
|---|---------------|--------------------|---|---|---|
| Solar and Non-Solar Inverter Commercial and Industrial > 2.5kVA | No. | Installed Capacity | 8,250 | 3,500 | 2,400 |
| | | Actual Production | 4,500 | 2,000 | 1,600 |
| | | % | 54.55 | 57.14 | 66.67 |
| Residential Inverters (Solar and Non-Solar) <2.5kVA | No. | Installed Capacity | 22,500 | 3,000 | - |
| | | Actual Production | 5,000 | 400 | - |
| | | % | 22.22 | 13.33 | - |
| Solar Industrial Rooftops | Megawatt-peak | Installed Capacity | 7.5 | 4 | 3 |
| | | Actual Production | 2.0 | 1 | 1 |
| | | % | 26.66 | 25.00 | 33.33 |
| Solar & Inverter Batteries | No. | Installed Capacity | 36,000 | 24,000 | - |
| | | Actual Production | 16,000 | 5,000 | - |
| | | % | 44.44 | 20.83 | - |
| Online UPS | No. | Installed Capacity | 150 | 100 | - |
| | | Actual Production | 50 | 30 | - |
| | | % | 33.33 | 30.00 | - |

We have already completed one capex cycle where we have already established a larger manufacturing capacity to take care of our future needs. On face of it looks like we are having a lower capacity utilization but our lower capacity utilization of our manufacturing set-up is primarily due to lack of working capital, post IPO “SEL” will have sufficient working capital funds to rapidly ramp up capacity utilization of our manufacturing capacity in next couple of years.

4. We derive our significant amount of revenue form the manufacturing Solar Inverter and batteries. Any fall in demand of Solar Inverter and batteries may adversely affect our business operations.

A major portion of Our business revenue is derived from the sale of solar inverter and batteries. The solar power storage market is still evolving and is also seeing changes in the technology. If there is a disruption in the form of new technology in the solar inverter or battery industry then it may lead to disruption in the business if our company is unable to adapt to the new technology in a timely manner or if the demand for solar inverter and batteries does not grow faster enough or it takes longer to reach higher volumes than we anticipate, our revenue may disrupt and thereby our business, operational and financial results may be adversely affected.

Many factors may affect the viability of widespread adoption of solar power technology and demand for solar power and the need for and viability of solar power projects, including but not limited to:

- Cost-effectiveness, performance and reliability of solar power compared to traditional energy sources.
- Public perceptions of the direct and indirect benefits of adopting renewable energy technology.
- Price volatility of solar power equipment such as modules, inverters, trackers and transformers, batteries.
- Fluctuations in economic and market conditions that may affect the viability of traditional and other alternative renewable energy sources.
- the cost of capital and availability of credit, loans and other forms of financing for solar power projects.
- regulations and policies governing the development of Lithium-ion batteries, solar power or electric utility industries that may present technical, regulatory or economic barriers to the establishment of solar power projects and the purchase and use of solar energy.

5. Our Company has negative cash flows from its operating activities, investing activities and its financing activities in the current and past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company has negative cash flows from our investing & financing activities in the current and previous years and in operating activities in current year as per the Restated Financial Statements and the same are summarized as under.

(Amount in Rs. Lakhs)

| Net Cash Generated from | For the period ending March 31, 2023 | For the period ending March 31, 2022 | For the period ending March 31, 2021 |
|-------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Operating Activities | (222.18) | (68.52) | 9.51 |
| Investing Activities | (34.53) | (41.20) | (12.36) |
| Financing Activities | 260.53 | 108.57 | 7.39 |

6. Our business is dependent on developing and maintaining continuing relationships with our clients/customers. Our top Five customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our company has a small customer base where more than 75% of revenue from operations are arrived from top 5 customers. When a business is overly-reliant on a small group of customers or clients, its revenue will be highly sensitive.

The Company is primarily engaged in the business of manufacturing of the solar inventor and in the trading of batteries. Further we also engaged in the providing services such as Solar Power Plants Projects, Solar Power Generation System and Operation & maintenance thereof. Our business operations are highly dependent on our top five customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations.

We have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers. The actual sales by our Company may differ from the estimates of our management due to the absence of long-term agreements.

However, company has started developing large dealer network and has started exports under our own brand name. This increase in retail network under own brand name may significantly reduce our vulnerability to dependence on large customers.

7. Our Revenue’s Substantial portion has been dependent upon our Top 5/10 customers. Similarly, our dependence on Top 5/10 suppliers for procurement is substantially high. The loss of any one or more of our major clients would have a material adverse effect on our business operations and profitability.

Our Company is substantially dependent on few customers/suppliers for our operations as per the table below. As on March 31, 2023, out top 10 customers contribute for 89.55% of our sales, out of that top 5 customers contribute more than 76% of the total sales. Similarly, our procurement is 89.22%% from top 10 suppliers and more than 65% from top 5 suppliers. The loss of our major customers/ suppliers or a decrease in the volume of products sourced/procured may adversely affect our revenues and profitability. We cannot assure you that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our operations and profitability.

Top 10 Suppliers/Customer

| Particulars | Financial Year March 31, 2023 | | Financial Year March 31, 2022 | | Financial Year March 31, 2021 | |
|-----------------|----------------------------------|--------|----------------------------------|---------|----------------------------------|--------|
| | Amount | % | Amount | % | Amount | % |
| Supplier | | | | | | |
| Top 5 Supplier | 5,89,31,593 | 47.17% | 3,10,79,642 | 83.08% | 1,79,83,727 | 54.34% |
| Top 10 Supplier | 7,83,42,482 | 62.71% | 4,22,70,690 | 113.00% | 2,44,59,921 | 73.92% |
| Customer | | | | | | |
| Top 5 Customer | 12,14,09,039 | 68.94% | 5,99,96,588 | 75.58% | 4,54,37,170 | 84.69% |
| Top 10 Customer | 14,65,36,421 | 83.01% | 7,05,41,330 | 88.87% | 5,03,65,797 | 93.89% |

8. Substantial portion of our revenues has been dependent upon one of our main clients. The loss of them would have a material adverse effect on our business operations and profitability.

Our Company revenue is substantially dependent on Applied Solar Technologies Private Limited. In the Last Three Financial Year 20-21, 21-22 and 22-23 Company has generated revenue from Applied Solar Technologies Private Limited is 61.90%, 51.61% and respectively. The loss of our major customer or a decrease in the volume of products sourced may adversely affect our revenues and profitability. However, company has engaging new clients for the betterment of company and to avoid the dependency of creating revenue from few clients.

9. Our company has issued certain equity shares within last twelve months at a price lower than the issue price (other than bonus issue).

Our company has issued certain equity shares (other than bonus issue) within last twelve months at a price lower than the issue price, details of which are as follows:

| Sr. No. | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|-------------------|------------------------|------------------|-------------------|--------------------|------------------------|----------------------------|
| 1. | Sumit Tiwari | 1,00,000 | 10.00 | 40.00 | September 13, 2022 | Conversion of Loan | - |
| 2. | Anshul Agarwal | 25,000 | 10.00 | 40.00 | October 19, 2022 | Preferential Allotment | - |
| 3. | Anshu Agarwal | 25,000 | 10.00 | 40.00 | | | - |
| 4. | Subhash Agarwal | 25,000 | 10.00 | 40.00 | | | - |
| 5. | Muskan Agarwal | 25,000 | 10.00 | 40.00 | | | - |
| 6. | Sunny Raheja | 25,000 | 10.00 | 40.00 | | | - |
| Total | | 2,25,000 | | | | | |

10. We operate in a competitive industry and any failure to compete effectively may result in a decline in our market share.

The market for solar Inverter, PV modules and our other products is intensely competitive and continuously evolving. We view our primary competitors to be traditional global and local solar manufacturing companies. Our competitors may have greater financial resources, a more effective or established local business presence. Some of our competitors may have advantages over us in terms of greater operational, technical, management or other resources well as know-how of regulatory and political challenges in the geographies in which we operate or into which we intend to expand our operations.

A few competitors may undertake initiatives for higher backward integration which would enable them to compete on costs and have better margin performance. Furthermore, due to intense competition, there may be a decline in pricing for solar modules, which may have an adverse impact on our results of operations and financial condition.

11. Our Company has availed certain unsecured loan facility amounting to Rs. 3.21 Lakhs that may be callable on demand by the lender at any point of time.

As on date of Prospectus, our Company has unsecured loans amounting to Rs. 3.21 Lakhs from unsecured lenders that are repayable on demand to the relevant lender. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

For further details of unsecured loans of our Company, please refer the chapter titled “Financial Information” on page 164 of this Prospectus.

12. Our operations are subject to high working capital requirements. Our inability to maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay out debts, could adversely affect our operations.

As our revenue as proportion of our total revenue is increasing from the retail business (which is working capital intensive segment). The Company carrying on retail business not directly but through various dealers and distributors. We would require substantial working capital and financing in the form of fund based working capital facilities to meet our increased requirements, which might lead to slower growth than expected. The details of our working capital for the year ended March 31, 2023, March 31, 2022 & March 31, 2021 are as under which is showing continuous increase:

(Amount in Rs. Lakhs)

| Particulars | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|--------------------------------------|----------------|----------------|----------------|
| Current Assets | | | |
| Inventories | 435.05 | 209.83 | 79.68 |
| Trade Receivables | 277.53 | 129.19 | 92.06 |
| Cash and Cash Equivalents | 7.71 | 3.88 | 5.04 |
| Short-term Loans and Advances | 74.97 | 20.84 | 8.60 |
| Other Current Assets | 28.97 | 5.47 | 0.09 |
| Total (A) | 824.23 | 369.22 | 185.47 |
| Current Liabilities | | | |
| Short Term Borrowings | 403.26 | 170.02 | 78.32 |
| Trade Payables | 143.88 | 93.51 | 82.10 |
| Other Current Liabilities | 66.36 | 28.76 | 24.94 |
| Short-term Provisions | 22.23 | 12.24 | 4.78 |
| Total (B) | 635.74 | 304.53 | 190.14 |
| Net Working Capital (A) – (B) | 188.49 | 64.69 | (4.67) |

A sudden growth in retail business through dealers and distributors or delay in payments from dealer network may lead to increase in trade cycle, thereby may lead to increased working capital borrowings and, consequently, higher finance cost which may have an impact our profitability margins. The significant amount of working capital and major portion of our working capital is utilized towards inventories and trade receivables. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, may have an adverse impact on our financial ratios and overall profitability of the company.

13. We do not own the premises in which our registered office is located and the same is on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.

Our registered office is presently located at 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India. The registered office is not owned by Company.

The premises have been taken on lease basis for a period of Eleven Months commencing from October 21, 2022.

Upon termination of the lease, we are required to return registered office premises to the Lessor/Licensor, unless it is renewed. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate our registered office business where administrative activities are carried out. We may be required to identify alternative premises and enter into fresh lease or leave and license agreement at less favorable terms and conditions. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

14. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”.

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 69 of this Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan, current trade cycle and product mix. We cannot assure that the current business plan and product mix will be implemented in its entirety. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements may increase. The deployment of the funds as stated under chapter –Objects of the Issue, is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

15. Our Company has applied for trademark “Vault Daudegi Zindagi” which has not been registered under the Trade Marks Act, 1999.

We have filed application for registration of trademark under class 9 for “Vault Daudegi Zindagi” vide application number 5559018 dated August 05, 2022 which has been objected by Registrar of Trademarks under section 9(1)(b) of Trade Mark Act, 1999. Furthermore, Our Company has filed its reply against the said objection on January 24, 2023 & the matter is pending before Registrar of Trademark as on date. The complete details of Trademark are given in Chapter “Our Business” beginning on page no. 103 of this Prospectus. In the event we are not able to obtain registration in respect of such trademark application, we may not be able to obtain statutory protections available under the Trade Marks Act, 1999, as otherwise available for registered logos and trademarks. Consequently, we are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party.

16. Company has reliance on the imports of key components, raw materials and stock-in-trade. Any shortfall in the supply of raw materials or an increase in demand of component or raw material will directly effective the input costs and which may also adversely affect the pricing and supply of the products and have an adverse effect on the business, results of operations and financial condition.

Company has taken their raw material from the third-party suppliers (agents) which was imported by the third party/agents from the other countries. Since the third-party suppliers are located in India and the Company is not importing the raw materials from foreign country but buying the same from Indian suppliers(agents). However major of the Raw material are the imported raw materials include CAPACITOR, CONTACTOR, BRIDGE RECTIFIER, LED, DIODE etc.

We rely on a number of suppliers for our raw materials, components and stock-in-trade which are an integral part of our products through which if there is shortage of the imported raw material it will adversely affect

the pricing and supply of the products.

However, the components are also available in the India but at the higher prices due to which company prefer the imported component which are almost 30-40% less costly than India. So, if company will face any shortage in imported raw material in future than company will buy material through other suppliers who has the domestic product.

For the details of imported raw material please refer page no. 111 &112 for this Prospectus

17. We may not have sufficient insurance coverage to cover all possible losses.

Our operations carry inherent risks of personal injury and loss of life, damage to or destruction of property, plant and machinery and damage to the environment, and are subject to various risks such as fire, theft, flood, earthquakes and terrorism. We maintain insurance coverage, in amounts we consider to be commercially appropriate, including insurance against damage, loss of profit and business interruption, marine inland transit and third-party liability insurance with respect to our assets. Our insured assets primarily consist of property, plant & equipment, furniture, fixtures and fittings, inventory, etc.

While we have not had any such instance in the past three years, there can be no assurance that in the future our losses would not significantly exceed our insurance coverage or may not be recoverable through insurance and consequently our business, financial condition and results of operations could be materially and adversely affected. The complete details of Insurance are given in Chapter “*Our Business*” beginning on page no. 103 of this Prospectus.

18. Removal/ exemption/ elimination/ expiration of government subsidies and economic incentives to promote solar energy and domestic production could reduce demand for our solar modules.

The imposition of extra duties being levied on sources of energy that cause carbon dioxide pollution for the purpose of reducing greenhouse gas emissions has indirectly supported the expansion of power generated from renewable energy. The Government of India (GoI) has offered several fiscal benefits, tariffs, safeguard duties on foreign imports, policies and schemes aimed at promoting the solar energy industry. Reduced growth in or the reduction, elimination or expiration of these government subsidies and economic incentives may result in the diminished competitiveness of solar energy relative to conventional and non-solar renewable sources of energy, and could materially and adversely affect the growth of the solar energy industry and our revenue from operations. Furthermore, government incentives typically expire, phase out over time, exhaust the allocated funding or require renewal by the applicable authority, and there can be no assurances that the GoI will continue to offer incentives to the solar energy industry in the future. Thus, solar power sector was benefitted.

The regulatory policies in various states in India currently provide a favourable framework for securing attractive returns on capital invested for renewable and solar energy projects. If any of these incentives or policies are adversely amended, eliminated or not extended beyond their current expiration dates, or if funding for these incentives is reduced, or if governmental support of renewable energy development, particularly solar energy, is discontinued or reduced, it could have an adverse effect on our ability to obtain financing, and may affect the viability of new solar energy projects based on current tariff and cost assumptions.

19. Technological changes, evolving customer requirements and emerging industry trends may affect our business, may render our current technologies obsolete and may require us to make substantial capital investments.

Our business functions in a high technology sector and our future success depends, in part, on our ability to respond to technological advances, evolving customer requirements and emerging industry standards and practices on a cost-effective and timely basis. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to evolving customer requirements or emerging industry standards.

If we are unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, evolving customer requirements or technological changes, our business, financial condition and results of operations could be materially and adversely affected.

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

Our Company has entered into related party transactions with our Promoter, Directors and the Promoter Group aggregating Rs. 223.96 Lakhs for the last financial year ended March 31, 2023. While our Company believes that all such transactions have been conducted in the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. On the arm's length basis, there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with related parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to "Annexure IX – Related Party Transactions" on page no. 197 of this Prospectus.

21. Delay in making payment of EPF

We have made delay payment of EPF in past year just for the 1 day due to some beyond control reasons. Further no notice has been issued against our Company till date. This could be adversely affecting the reputation of the Company.

22. Our results of operations could be adversely affected by a disruption of operations at our manufacturing facilities.

We operate only one production plant located at Gautam Buddha Nagar, Uttar Pradesh. All of these facilities are subject to operational risks, including:

- equipment failure;
- failure to comply with applicable regulations and standards;
- obtaining and maintaining necessary licenses;
- raw material and/or energy supply disruptions;
- labour force shortages or work stoppages; and
- natural disasters.

While our facilities are insured against standard risks such as fire, there can be no assurance that the proceeds available from our insurance policies would be sufficient to protect us from possible loss or damage. In addition, we do not currently have business interruption insurance. As a result, a significant disruption in operations at any of these production facilities resulting from the events above or other events may adversely affect our business, financial condition and results of operations.

23. The average cost of acquisition of Equity Shares by our Promoter is lower than the issue price.

Our Promoter average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 21 of this Prospectus.

24. Some of our Directors (including promoter) hold equity shares in our company and therefore interested in our company's performance in addition to their remuneration and reimbursement of expenses.

Some of our Directors/Promoter are interested in our Company to the extent of their shareholding, dividend rights, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our directors or promoters would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our directors or Promoter will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting.

For details relating to benefits and reimbursement of expenses to some of our directors, please refer to section title "Our Management", "Our Promoters", "Promoters' Group" and Annexure IX "Related Party Transaction in chapter titled "Restated Financial Statement" on page nos. 139, 152,156, 197 & 164 respectively of this prospectus.

25. Our Company may incur penalties or liabilities for non-compliances with certain provisions of the Companies Act and other applicable laws in the last three (3) Years.

Our Company may incur penalties or liabilities for non-compliance with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under Company Act applicable to it in the past years. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non-Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions.

26. We may not be able to achieve our financial objectives, in case of failure to target or attract the better business opportunities effectively.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. The solar industry is at a very nascent stage and is still in its development phase. Demand of solar panels and similar products is very fluctuating. It can be possible that the new opportunities may be taken by other competitors at more competitive price, as they take first mover advantage. The solar industry continues to experience increasingly lower costs, improved efficiency and higher electricity output. We may not be able to offer competitive bids to our customers, which may lead to slipping of opportunities.

Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market conditions and other data or the strategies that we may use in future to use will be successful under various market conditions.

27. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the completion of 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 61.49% of our 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 the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder 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.

28. Our success depends largely on our senior management and other key personnel and our ability to attract and retain them.

Our success depends on the continued efforts, services and performance of our senior management and sales agents. Competition for senior employees and sales agents in the industry is intense and we may not be able to retain our existing team members or attract and retain new team members in the future. The loss of any member of our key team may adversely affect our business, results of operations and financial condition. We do not maintain keyman's life insurance for our Promoters, senior members of our management team or other key personnel.

29. Fluctuations in prices of raw material and if we are unable to maintain appropriate time span between procurement and selling of our product it may cause losses.

Any fluctuation in the prices of raw material may affect our cost and supply of the services. Therefore, any significant increase in these prices due to any reasons, and our inability to pass on increased costs to our consumers or reduction in demand from our consumers, may adversely affect our revenue and profitability. For further details, see Our Business on page no. 103 of this Prospectus.

30. Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

We employ a significant number of employees. As on August 01, 2023, we had 54 permanent employees on our rolls.

Historically, we have not experienced any significant strikes or other labour disputes. However, there can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

We believe we maintain good relationships with our workforce, there can be no assurance that the Company will not experience future disruptions to its operations due to disputes or other problems with its work force.

31. Certain Agreements, deeds or licenses may be in the previous name of the company.

Our certain agreements, deeds or licenses may be in the name of the erstwhile name of the company Sungarner Energies Private Limited. In case, we fail to change the name in the agreements, deeds or licenses it may cause adverse effect on Our Company's business & operations. although we do not foresee any challenge in doing so.

32. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles "Objects of the Issue".

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 69 of this Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan, current trade cycle and product mix. We cannot assure that the current business plan and product mix will be implemented in its entirety. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements may increase. The deployment of the funds as stated under chapter –Objects of the Issue, is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected **revenues and earnings**.

33. There is no monitoring agency appointed by our Company and the deployments of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakh. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the Audit Committee of our Board will monitor the utilization of Issue proceeds. 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.

34. 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.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation

of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details regarding our dividend policy, please see—Dividend Policy on page no. 163 of this Prospectus.

35. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

36. Delay in raising funds from the IPO could adversely impact the growth rate.

The proposed use of issue proceeds, as detailed in the section titled “Objects of the Issue” on page no. 69 is to be partially and/or wholly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule which may adversely impact the growth rate of our Company. We, therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

37. 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 were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. 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.

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 and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

38. We cannot assure you that our equity shares will be listed on the NSE Emerge in a timely manner or at all, which may restrict your ability to dispose of the equity shares.

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this prospectus listed on NSE emerge platform in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the Emerge platform of NSE Limited in a timely manner or at all, which may restrict your ability to dispose of the

equity shares. However, even in such circumstances, the company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

39. Sale of Equity Shares by our Promoters or other significant shareholder(s) or any future issue of Equity Shares may dilute your shareholding and adversely affect the trading price of the Equity Shares.

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

40. We may not be successful in implementing our business strategies.

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

41. We operate in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.

India is our primary market and we face high competition in our business from local as well as national players in our industry. Our key products are available from a large number of players providing same or similar products in our industry. Thus, factors affecting our competitive success include, amongst other things, price, demand for our product and/or services, brand recognition and reliability. As a result, to remain competitive in our market, we must continuously invest in our brand awareness, increase our distribution channel, strive to reduce our raw material costs and improve our operating efficiencies. If we fail to do so, our competitors may be able to provide their products at prices lower than our prices, which would have an adverse effect on our market share and financial health of the company. Our competitors vary in size, and may have better financial, marketing personnel and other resources than our company and few of our competitors have a longer history and reputation in the Indian market as compared to us. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our services, which may result in a decline in our revenues and profitability.

42. Industry information included in this Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical financial and other industry information is either complete or accurate.

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information

has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics.

Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this prospectus.

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

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

44. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to our Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled –Basis for Issue Price beginning on

page 74 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation.

The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

REGULATORY RISK FACTORS

1. ***We operate in a regulated environment and central and state government policies and regulations affecting the power sector and related industries could adversely affect our operations and our profitability.***

Several aspects of our operations, including the sourcing and pricing of raw material and the sale of our products are regulated by the central and state governments policies and regulations. Government policies affecting the Solar Power industry, such as environmental regulations, taxes, tariffs, duties, subsidies and import and export restrictions on raw materials and commodity products, can influence industry profitability, the location and size of plant, and the volume of imports and exports. Future government policies in India and elsewhere may adversely affect the supply and demand for and prices of our products and raw materials, and restrict our ability to do business in our existing and target markets and could adversely affect our results of operations. For details of central government policies applicable to us, please see “Key Regulations & Policies” on page 123 of this Prospectus.

2. ***If we are not able to obtain, renew or maintain the permits and approvals required to operate our businesses, this may have a material adverse effect on our businesses.***

The success of our strategy to grow and optimise its existing operations in the various sectors in which we operate is contingent upon, among other factors, receipt of all required licences, permits and authorisations, including environmental permits and health and safety permits. In the future, we may be required to renew such permits and approvals or to obtain new permits and approvals.

3. ***If we fail to comply with environmental, employee-related or health and safety laws and regulations or any other local laws or regulations in the countries in which we operate, this may adversely affect our business and results of operations.***

As a manufacturing company, we are required to comply with various laws and regulations relating to the environment. Although we believe that we comply in all material respects with all applicable statutes and with the regulations thereunder, we may incur substantial costs to comply with requirements of environmental laws and regulations in the future.

Our solar panel and battery manufacturing and solar power projects are subject to, amongst other laws, environmental laws and regulations promulgated by the Ministry of Environment of the Government of India and State Pollution Control Boards. If any of our facilities are shut down, we will continue to incur costs in complying with regulations, appealing any decision to stop construction and paying labour and other costs which continue even if production has ceased. As a result, our overall operating expenses may increase, adversely affecting our business and results of operations.

We are also subject to health and safety laws and regulations as well as laws and regulations governing our relationship with our employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labour and work permits. Changes in laws or regulations in the countries in which we operate may result in our incurring significant costs in order to maintain compliance with such laws and regulations.

EXTERNAL RISK FACTORS

4. *Outbreaks of contagious diseases, such as the recent outbreak of COVID-19, may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.*

India experienced multiple waves of COVID-19 which had impacted global supply chains and resulted in shortages of materials and components used in the manufacturing operations and an inability to meet the manufacturing targets and this impact continues till date. The COVID-19 pandemic had resulted in restrictions on travel and transportation and prolonged closures of workplaces, businesses and schools, with employees being asked to work from home and citizens being advised to stay at home. Consequently, there was a significant disruption in attendance at the manufacturing facilities.

There can be no assurance that any future outbreak of contagious diseases will not have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

5. *We face foreign exchange risks that could adversely affect our results of operations and cash flows.*

Our company export its products, therefore we are exposed to foreign currency fluctuation risk. Although, we closely follow our exposure to foreign currencies by entering into forward contracts to hedge our exposure in an attempt to reduce the risks of currency fluctuations, our results of operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. While we enter into hedging transactions to minimize our foreign currency exchange risks, there can be no assurance that such measures will enable us to manage our foreign currency risks which may adversely affect our results of operations.

6. *Interest rate fluctuations may adversely affect the Company's business.*

The Company may enter into certain borrowing arrangements to finance its capital requirements in the ordinary course of business in connection with potential acquisitions or for general working capital purposes. In the event interest rates increase, the Company's costs of borrowing will increase, and its profitability and results of operations may be adversely affected.

7. *Changes in the Government Policy could adversely affect economic conditions in India generally and our business in particular.*

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

8. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.*

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include STT, GST, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. You have either short-term or long-term capital gains depending on the holding period of your investment. 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, without the benefit of the indexation. Any change in tax provisions may significantly impact your return on investments.

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

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

**SECTION IV- INTRODUCTION
THE ISSUE**

| Particulars | Details of Number of Shares |
|--|---|
| Issue of Equity Shares by our Company | 6,40,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 83/- per Equity Share aggregating to Rs. 531.20 Lakhs. |
| Of which: | |
| Reserved for Market Makers | 57,600 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 83/- per Equity Share aggregating to Rs. 47.80 Lakhs. |
| Net Issue to the Public | 5,82,400 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 83/- per Equity Share aggregating to Rs. 483.39 Lakhs. |
| Of which: | |
| Retail Investors Portion** | 2,91,200 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 83/- per Equity Share aggregating to Rs. 241.69 Lakh, i.e. 50% of the Net Issue shall be available for allocation for Retail Individual Investors. |
| Non-Retail Investors Portion** | 2,91,200 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 83/- per Equity Share aggregating to Rs. 241.69 Lakh, i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors. |
| Pre-and Post-Issue Equity Shares: | |
| Equity Shares outstanding prior to the Issue | 16,78,750 Equity Shares of Rs.10/- each |
| Equity Shares outstanding after the Issue | 23,18,750 Equity Shares of Rs.10/- each |
| Use of Proceeds | For further details please refer chapter titled “Objects of the Issue” beginning on page no. 69 of this Prospectus for information on use of Issue Proceeds |

***As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is a fixed price issue the allocation is the net offer to the public category shall be made as follows:*

- a) *Minimum fifty percent to retail individual investor; and*
- b) *Remaining to:*
 - i. *Individual applicants other than retail individual investors; and*
 - ii. *Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category. If the retails individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.

Subject to valid applications being received, under-subscription, if any, in the Retail and Non-Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the LM and the NSE.

Notes

The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on February 03, 2023 and by our Shareholders pursuant to a resolution passed at the EGM held on February 06, 2023. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled “Issue Structure” beginning on page no. 260 of this Prospectus.

SUMMARY OF OUR FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amt in Lakh)

| Particulars | Annexure No. | As on | | |
|--|--------------|----------------|---------------|---------------|
| | | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Equity & Liabilities | | | | |
| 1. Shareholders Fund | | | | |
| a) Share Capital | I.1 | 167.88 | 46.50 | 46.50 |
| b) Reserves and Surplus | I.2 | 152.66 | 109.73 | 52.23 |
| Total Shareholder's Fund | | 320.54 | 156.23 | 98.73 |
| 2. Non Current Liabilities | | | | |
| a) Long Term Borrowings | I.3 | 20.85 | 56.60 | 25.46 |
| b) Deferred Tax Liability | I.4 | 17.07 | 5.77 | 3.87 |
| c) Other Non Current Liabilities | | - | - | - |
| d) Long Term Provisions | I.5 | 20.47 | 13.14 | - |
| Total Non Current Liabilities | | 58.39 | 75.51 | 29.32 |
| 3. Current Liabilities | | | | |
| a) Short Term Borrowings | I.6 | 403.26 | 170.02 | 78.32 |
| b) Trade Payables | I.7 | 143.88 | 93.51 | 82.10 |
| c) Other Current Liabilities | I.8 | 66.37 | 28.76 | 24.94 |
| d) Short Term Provisions | I.9 | 22.23 | 12.24 | 4.78 |
| Total Current Liabilities | | 635.74 | 304.53 | 190.13 |
| Total Equity & Liability | | 1014.67 | 536.27 | 318.19 |
| 4. Non-Current Assets | | | | |
| a) Property, Plant and Equipment and Intangible Assets | I.10 | | | |
| - Property, Plant and Equipment | | 189.89 | 164.98 | 132.72 |
| - Intangible Assets | | 0.54 | 0.67 | - |
| - Work-In-Progress | | - | 140.40 | - |
| Total Fixed Assets | | | | |
| b) Non - current Investments | | - | - | - |
| c) Deferred Tax Assets (Net) | | - | - | - |
| d) Long Term Loans and Advances | | - | - | - |
| e) Other Non- current Assets | | - | - | - |
| Total Non Current Assets | | 190.44 | 167.05 | 132.72 |
| 5. Current assets | | | | |
| a) Inventories | I.11 | 435.05 | 209.83 | 79.68 |
| b) Trade Receivables | I.12 | 277.53 | 129.19 | 92.06 |
| c) Cash and Cash Equivalents balances | I.13 | 7.71 | 3.88 | 5.04 |
| d) Short Term Loans and advances | I.14 | 74.98 | 20.84 | 8.60 |
| e) Other Current Assets | I.15 | 28.97 | 5.47 | 0.09 |
| Total Current Assets | | 824.23 | 369.22 | 185.47 |
| Total Assets | | 1014.67 | 536.27 | 318.19 |

RESTATED STATEMENT OF PROFIT AND LOSS

(Amt in Lakh)

| Particulars | Annexure No. | For the year ended on | | |
|---|--------------|-----------------------|---------------|---------------|
| | | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Income | | | | |
| Revenue from Operations | II.1 | 1731.80 | 793.79 | 536.43 |
| Other Income | II.2 | 33.53 | 3.87 | - |
| Total Revenue | | 1765.33 | 797.66 | 536.43 |
| | | | | |
| Expenditure | | | | |
| Cost of Material Consumed | II.3 | 1053.72 | 399.35 | 330.87 |
| (Increase)/decrease in the inventories of work in progress & finished goods | II.4 | (33.43) | (25.28) | - |
| Employee Benefit Expenses | II.5 | 277.86 | 189.31 | 107.56 |
| Other Expenses | II.6 | 308.17 | 135.85 | 60.50 |
| Total Expenses | | 1606.32 | 699.24 | 498.95 |
| | | | | |
| Profit Before Interest, Depreciation and Tax | | 159.00 | 98.42 | 37.48 |
| Depreciation & Amortisation Expenses | I.10 | 11.14 | 6.87 | 6.07 |
| Profit Before Interest and Tax | | 147.87 | 91.55 | 31.39 |
| Financial Charges | II.7 | 26.96 | 14.27 | 8.57 |
| Profit before Taxation | | 120.90 | 77.28 | 22.82 |
| Provision for Taxation | II.8 | 35.10 | 17.88 | 5.26 |
| Current tax for earlier year | | 0.19 | - | - |
| Provision for Deferred Tax | | 11.30 | 1.90 | 1.84 |
| MAT Credit Entitlement | | - | - | - |
| Total | | 46.59 | 19.78 | 7.10 |
| Profit After Tax but Before Extra-ordinary Items | | 74.31 | 57.50 | 15.72 |
| Extraordinary Items | | - | - | - |
| Profit Attributable to Minority Shareholders | | - | - | - |
| Net Profit after adjustments | | 74.31 | 57.50 | 15.72 |
| Net Profit Transferred to Balance Sheet | | 74.31 | 57.50 | 15.72 |

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RESTATED CASH FLOW STATEMENT
(Amt in Lakh)

| PARTICULARS | For the year ended on | | |
|---|-----------------------|----------------|----------------|
| | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit Before Tax as per Profit & Loss A/c | 120.90 | 77.28 | 22.82 |
| Adjusted for : | | | |
| a. Depreciation | 11.14 | 6.87 | 6.07 |
| b. Interest Expenses & Finance Cost | 26.96 | 14.27 | 8.57 |
| c. Unrealised foreign currency (gain)/loss | (0.07) | - | - |
| d. Interest & Other Income | - | - | - |
| | | | |
| Operating profit before working capital changes | | | |
| Adjusted for : | | | |
| a. Decrease / (Increase) in Inventories | (225.22) | (130.15) | (52.02) |
| b. Decrease / (Increase) in Trade Receivable | (148.26) | (37.13) | (7.18) |
| c. Decrease / (Increase) in Long Term Loans and Advances | - | 2.65 | 0.91 |
| c. Decrease / (Increase) in Short Term Loans and Advances | (54.14) | (18.82) | 11.62 |
| d. Decrease / (Increase) in Other Assets | (23.50) | (12.91) | (0.09) |
| e. Increase / (Decrease) in Trade Payables | 50.37 | 17.43 | 29.50 |
| f. Increase / (Decrease) in Short Term Provisions | 0.64 | 19.69 | (2.23) |
| f. Increase / (Decrease) in Long Term Provisions | 7.33 | 13.14 | - |
| g. Increase / (Decrease) in Other Liabilities | 37.61 | 0.81 | (2.56) |
| | | | |
| Cash generated from operations | | | |
| Net Income Tax (Paid)/Refund | (25.94) | (21.65) | (5.91) |
| Net Cash Generated/(Used) From Operating Activities (A) | (222.18) | (68.52) | 9.51 |
| | | | |
| B. CASH FLOW FROM INVESTING ACTIVITES | | | |
| a. (Purchase) Sale of Fixed Assets | (34.53) | (41.20) | (12.36) |
| b. Investment in subsidiary companies | - | - | - |
| c. Interest & Other Income | - | - | - |
| Net Cash Generated/(Used) From Investing Activities (B) | (34.53) | (41.20) | (12.36) |
| | | | |
| C. CASH FLOW FROM FINANCING ACTIVITES | | | |
| a. Interest & Finance Cost | (26.96) | (14.27) | (8.57) |
| b. Proceeds from issues of equity shares | 90.00 | - | - |
| c. (Repayments) / proceeds of long term borrowings | (35.75) | 31.13 | 13.41 |
| d. (Repayments) / proceeds of short term borrowings | 233.24 | 91.70 | 2.56 |
| | | | |
| Net Cash Generated/(Used) From Financing Activities (C) | 260.53 | 108.57 | 7.40 |
| | | | |
| Net Increase / (Decrease) in cash and cash equivalents | 3.83 | (1.15) | 4.55 |
| Cash and cash equivalents at the beginning of the year | 3.88 | 5.04 | 0.49 |
| Cash and cash equivalents at the end of the year | 7.71 | 3.88 | 5.04 |

GENERAL INFORMATION



BRIEF INFORMATION ON COMPANY AND ISSUE


| | | | | |
|---|---|------------------------|-------------------------|------------------------|
| Registered Office | 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India. Tel No.: +917428296411; Fax: N.A. E-mail: legal@sungarner.com ; cfo@sungarner.com Website: www.sungarner.com | | | |
| Date of Incorporation | April 30, 2015 | | | |
| CIN | U34100DL2015PLC279632 | | | |
| Company Category | Company Limited by Shares | | | |
| Registrar of Company | Registrar of Companies, NCT of Delhi & Haryana 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019 Tel No.: 011-26235703, 26235708 Email: roc.delhi@mca.gov.in Website: www.mca.gov.in | | | |
| Company Secretary and Compliance Officer | Mr. Anup Kumar Pandey E-2/44, Ground Upper Gali No. – 2 Sai Gali, Shastri Nagar, New Delhi - 110052 Tel: +917428296411; Fax: N.A. Email: cs@sungarner.com | | | |
| Chief Financial Officer | Mrs. Akansha Jain 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India Tel: +917428296411; Fax: N.A. Email: cfo@sungarner.com | | | |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051 | | | |
| Issue Programme | Issue Opens On: | August 21, 2023 | Issue Closes On: | August 23, 2023 |

***Note:** Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.*

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

| Lead Manager to the Issue | Registrar to the Issue |
|--|--|
|  <p>Fastrack Finsec Category-I Merchant Banker</p> |  <p>Skyline Towards Excellence Financial Services Pvt. Ltd.</p> |
| Fast Track Finsec Private Limited | Skyline Financial Services Private Limited |
| Address: B-502, Statesman House, 147, Barakhamba Road, New Delhi – 110 001 | Address: D-153 A, 1 st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 |
| Tel No.: +91 – 011-43029809 | Tel No: +91- 11-40450193-97; |
| Fax No. Not Available | Fax No: +91-11-26812683 |
| Email: vikasverma@ftfinsec.com | Email: compliances@skylinerta.com |
| Website: www.ftfinsec.com | Website: www.skylinerta.com |
| Contact Person: Mr. Vikas Kumar Verma | Contact Person: Mr. Anuj Rana |
| SEBI Registration No. INM000012500 | SEBI Registration No.: INR000003241 |

| Advisor to the Company | Banker to the Issue & Sponsor bank |
|---|---|
|  <p>DOLCE VITA TRUSTEES</p> |  <p>ICICI Bank</p> |
| Dolce Vita Trusteeship Services LLP | ICICI Bank Limited |
| Address: M8/31, Jhulelal Apartment, Pitam pura, New Delhi- 110034 | Address: Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400020 |
| Tel No. 91-9818382488 | Tele. No.: 022- 68052182 |
| Email: shammi@dolcevitatrusters.com | E-mail: sagar.welekar@icicibank.com ; ipocmg@icicibank.com |
| Website: www.dolcevitatrusters.com | Website: www.icicibank.com |
| Contact Person: Mr. Shammi Khanna | Contact Person: Mr. Sagar Welekar |

| Market Maker | Peer Reviewed/ Statutory Auditor |
|---|---|
|  <p>NIKUNJ STOCK BROKERS LTD.</p> | M/s Kapish Jain & Associates |
| Nikunj Stock Broker Limited | Chartered Accountants |
| Address: A-92, Ground Floor, Kamla Nagar, New Delhi, Delhi 110007 | Address: B-504, Statesman House, 148, Barakhamba Road, New Delhi- 110001 |
| Tel No.: 011- 49863108/ 91-8506922981 | Tel No. 11-43708987 |
| | Fax No. Not Available |
| Email: info@nikunjonline.com | Email: ca.kapish@gmail.com |
| Website: www.nikunjonline.com | Contact Person: Mr. Kapish Jain |
| Contact Person: Mr. Pramod Kumar Sultania | Firm Registration No.: 022743N |
| SEBI Registration No.: INZ000217037 | Peer Review Certificate No. 011804 |

| Legal Advisor | Banker to the company |
|---|---|
| Adv. Aman Thukral | ICICI Bank |
| Address: 202, Tower 8, Sector-Pi-II, Unitech Horizon, Greater Noida – 201310 | Address: Shop no. 6,7,8,9,10,11, Plot no. 40, Block A, ITHUM Tower, Sector 62, Noida, Uttar Pradesh-201301 |
| Mobile. No.: +91-9891602513 | Tele. No.: +91-9560908283 |
| Email Id: amanthukral@outlook.com | E-mail: shailesh.b@icicibank.com |
| Contact Person: Adv. Aman Thukral | Website: www.icicibank.com |
| Enrollment no.: D/3041/2018 | Contact Person: Shailesh Bansal |

DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

| S.No. | Name | DIN | Category | Designation |
|-------|---------------------|----------|---------------|----------------------|
| 1. | Mr. Sumit Tiwari | 07047276 | Executive | Managing Director |
| 2. | Mrs. Snigdha Tiwari | 08292988 | Executive | Director |
| 3. | Mr. Amit Tiwari | 08367880 | Non-Executive | Director |
| 4. | Mr. Rajnish Gaur | 06369085 | Non-Executive | Independent Director |
| 5. | Mrs. Sudha Singh | 09803844 | Non-Executive | Independent Director |

For further details of our Directors, please refer chapter titled “Our Management” beginning on page 139 of this prospectus.

INVESTOR GRIEVANCES:

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as Name of the Sole or First Applicant, Application Form number, Applicant’s DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Applicant whose Application 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 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 Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount.

SELF-CERTIFIED SYNDICATE BANKS

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant, (other than an RII using the UPI Mechanism), not Applying through Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at the abovementioned link, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form of Applicants is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

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

STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Fast Track Finsec Private Limited is the sole Lead Manager to this Issue, a statement of inter-se-allocation of responsibilities amongst Lead Managers is not required.

CREDIT RATING

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

IPO GRADING

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

EXPERT OPINION

Except the report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the financial years ended March 31, 2023, 2022 & 2021 as included in this Prospectus, our company has not obtained any expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakh. Since the Issue size is below Rs. 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated March 04, 2023. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters 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:

| Name, Address, Telephone, Fax, and Email of the Underwriter | Indicative No. of Equity Shares to be Underwritten | Amount Underwritten (Rs. In Lakh) | % of the Total Issue Size Underwritten |
|---|---|--|---|
| Fast Track Finsec Private Limited Address: B-502, Statesman House, 148, Barakhambha Road, New Delhi – 110 001 Tel No.: +91 – 011-43029809 Email: vikasverma@ftfinsec.com Website: www.ftfinsec.com Contact Person: Mr. Vikas Kumar Verma SEBI Registration No. INM000012500 | 6,40,000 | 531.20 | 100% |

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

FILING OF PROSPECTUS

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

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

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

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

CHANGE IN THE AUDITOR DURING LAST 3 YEARS

Except as stated below, there are no changes in the Auditor during last three (3) years as on date of this Prospectus:

| S.No. | Particulars | Date of Appointment | Date of Resignation | Reason of Resignation |
|-------|--|---------------------|---------------------|-----------------------|
| 1. | M/s. S B Sharma & Associates, Chartered Accountant FRN: 016096C Address: 111,1st Floor, Ashiana Tower, Exhibition Road, Patna, Bihar- 800001 | 30/09/2017 | 26/06/2021 | Due to Pre-Occupation |
| 2. | M/s. Jain Subhash Chand & Co., Chartered Accountant FRN: 006490C Address: 8/122, Sector-3, Rajendra Nagar, Ghaziabad, Uttar Pradesh- 201005 | 12/07/2021 | 15/12/2022 | Due to Pre-Occupation |
| 3. | M/s. Kapish Jain & Associates, Chartered Accountant FRN: 022743N Address: B-504, Statesman House, 148, Barakhamba Road, Delhi- 110001 | 30/12/2022 | N.A. | N.A. |

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for 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 Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Lead Manager have entered into a tripartite agreement dated July 26, 2023 with **Nikunj Stock Brokers Limited** the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

The Market Maker(s) shall have the right to terminate said arrangement by giving a 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 above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker 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 does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** 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 Makers, 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(s) in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Makers from time to time.

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

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

The Marketing 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.

The trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus is set forth below:

| (INR in Lakhs) | | | |
|----------------|--|-------------------------|--------------------------------|
| Sr. No. | Particulars | Aggregate Nominal value | Aggregate value at offer price |
| A. | Authorised Share Capital | | |
| | 55,00,000 Equity Shares of Rs.10/- each | 550.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 16,78,750 Equity Shares of Rs.10/- each | 167.88 | - |
| C. | Present Issue in terms of the Prospectus | | |
| | Issue of 6,40,000 Equity Shares of face value of Rs.10/- each at a price of Rs. 83/- per share | 64.00 | 531.20 |
| | Consisting of: | | |
| | Reservation for Market Maker- 57,600 Equity Shares of Rs.10/- each at a price of Rs. 83/- per Equity Share reserved as Market Maker Portion. | 5.76 | 47.80 |
| | Net Issue to the Public – 5,82,400 Equity Shares of Rs.10/- each at a price of Rs. 83/- per Equity Share. | 58.24 | 483.39 |
| | Of the Net Issue to the Public | | |
| | Allocation to Retail Individual Investors – 2,91,200 Equity Shares of Rs.10/- each at a price of Rs. 83/- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs.2.00 Lakhs. | 29.12 | 241.69 |
| | Allocation to Other than Retail Individual Investors – 2,91,200 Equity Shares of Rs.10/- each at a price of Rs. 83/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs. | 29.12 | 241.69 |
| D. | Issued, Subscribed and Paid-up Share Capital after the Issue | | |
| | Equity Shares of Rs. 10/- each | 231.88 | |
| E. | Securities Premium Account | | |
| | Before the Issue | 67.50 | |
| | After the Issue | 534.70 | |

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated February 03, 2023 and by Special Resolution passed under Section 62(1)I of the Companies Act, 2013 at the EGM of our shareholders held on February 06, 2023.

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

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorised Share Capital:

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

| Sr. No. | Date | No. of Shares | Face Value (in Rs.) | Cumulative No. of Shares | Cumulative Authorised Share Capital (in Rs.) | Whether AGM/EGM |
|---------|------------------|---------------|---------------------|--------------------------|--|-----------------|
| 1. | On Incorporation | 50,000 | 10 | 50,000 | 5,00,000 | N.A. |
| 2. | 21-11-2016 | 4,50,000 | 10 | 5,00,000 | 50,00,000 | EGM |
| 3. | 10-09-2022 | 50,50,000 | 10 | 55,00,000 | 5,50,00,000 | EGM |

2. History of Equity Share Capital of our Company

| Sr. No. | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid-up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|---------|-------------------|-------------------------------|------------------|-------------------|-------------------------|---------------------|------------------------------------|----------------------------------|-------------------------------------|
| 1. | On Incorporation | 15,000 | 10 | N.A. | Cash | Subscription to MOA | 15,000 | 1,50,000 | N.A. |
| 2. | 10-03-2017 | 4,50,000 | 10 | 10 | Cash | Private Placement | 4,65,000 | 46,50,000 | Nil |
| 3. | 13-09-2022 | 1,00,000 | 10 | 40 | Other than Cash | Conversion of Loan | 5,65,000 | 56,50,000 | 30,00,000 |
| 4. | 13-09-2022 | 9,88,750 | 10 | Nil | Other than Cash | Bonus Issue | 15,53,750 | 1,55,37,500 | 30,00,000 |
| 5. | 19-10-2022 | 1,25,000 | 10 | 40 | Cash | Private Placement | 16,78,750 | 1,67,87,500 | 67,50,000 |

Note:

- Initial Subscribers to Memorandum of Association hold 15,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

| Sr. No. | Name of Person | No. of Shares Allotted |
|---------|----------------|------------------------|
| 1. | Pooja Almadi | 5,000 |
| 2. | Sumit Tiwari | 5,000 |
| 3. | Neeta Roy | 5,000 |
| | Total | 15,000 |

2. The Company thereafter Issued 4,50,000 Equity shares on March 10, 2017, for cash consideration by way of private placement, mentioned in detail below:

| Sr. No. | Name | No. of Shares Issued |
|---------|--------------|----------------------|
| 1. | Sumit Tiwari | 1,50,000 |
| 2. | Neeta Roy | 1,50,000 |
| 3. | Pooja Almadi | 1,50,000 |
| | Total | 4,50,000 |

3. The Company thereafter Issued 1,00,000 Equity shares on September 13, 2022, for other than cash consideration by way of Conversion of Loan, mentioned in detail below:

| Sr. No. | Name of Person | No. of Shares Allotted |
|---------|----------------|------------------------|
| 1. | Sumit Tiwari | 1,00,000 |
| | Total | 1,00,000 |

4. The Company thereafter Issued 9,88,750 Equity shares on September 13, 2022, for other than cash consideration by way of Bonus Issue, mentioned in detail below:

| Sr. No. | Name of Person | No. of Shares Allotted |
|---------|----------------|------------------------|
| 1. | Sumit Tiwari | 7,84,875 |
| 2. | Pooja Almadi | 81,375 |
| 3. | Snigdha Tiwari | 1,22,500 |
| | Total | 9,88,750 |

5. The Company thereafter Issued 1,25,000 Equity shares on October 19, 2022, for cash consideration by way of Private Placement, mentioned in detail below:

| Sr. No. | Name of Person | No. of Shares Allotted |
|---------|----------------|------------------------|
| 1. | Anshul Agarwal | 25,000 |
| 2. | Anshu Agarwal | 25,000 |
| 3. | Subash Agarwal | 25,000 |
| 4. | Muskan Agarwal | 25,000 |
| 5. | Sunny Raheja | 25,000 |
| | Total | 1,25,000 |

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3. Shareholding of the Promoters of our Company

As on the date of this Prospectus, our Promoters – Mr. Sumit Tiwari holds total 12,32,975 Equity Shares representing 73.45% of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters

| Date of Allotment / acquisition / transaction and when made fully paid up | Nature (Allotment/ transfer) | Number of Equity Shares | Face Value per Equity Share (in Rs.) | Issue/ Transfer price per Equity Share (in Rs.) | Consideration (cash/ other than cash) | Name of Transferor / Transferee | % of pre issue capital of Cumulative Shares |
|---|------------------------------|-------------------------|--------------------------------------|---|---------------------------------------|---------------------------------|---|
| Mr. Sumit Tiwari | | | | | | | |
| Incorporation | Subscriber to MOA | 5,000 | 10 | 10 | Cash | N.A. | 0.30% |
| 10-03-2017 | Private Placement | 1,50,000 | 10 | 10 | Cash | N.A. | 8.94% |
| 07-12-2018 | Transfer | 1,55,000 | 10 | 10 | Cash | Neeta Roy | 9.23% |
| 01-02-2020 | Transfer | 38,500 | 10 | 10 | Cash | Pooja Almadi | 2.29% |
| 13-09-2022 | Conversion of Loan | 1,00,000 | 10 | 40 | Other than Cash | N.A. | 5.96% |
| 13-09-2022 | Bonus Issue | 7,84,875 | 10 | Nil | Other than Cash | N.A. | 46.75% |
| 15-09-2022 | Transfer | (100) | 10 | Nil | Other than Cash | Madhuri Tiwari | 0.01% |
| 15-09-2022 | Transfer | (100) | 10 | Nil | Other than Cash | Amit Tiwari | 0.01% |
| 15-09-2022 | Transfer | (100) | 10 | Nil | Other than Cash | Utkarsha Mishra | 0.01% |
| 15-09-2022 | Transfer | (100) | 10 | Nil | Other than Cash | Amar Nath Tiwari | 0.01% |
| Total | | 12,32,975 | | | | | 73.45% |
| Mrs. Snigdha Tiwari | | | | | | | |
| 01-02-2020 | Transfer | 70,000 | 10 | 10 | Cash | Pooja Almadi | 4.17 |
| 13-09-2022 | Bonus Issue | 1,22,500 | 10 | NA | Other than Cash | NA | 7.30 |
| Total | | 1,92,500 | | | | | 11.47% |

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.



4. Our shareholding pattern

iii. The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Prospectus:

| Category Code | Category of shareholder | No. Of share holder | No. of fully paid up equity Shares Held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (unrealized as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form | |
|---------------|--------------------------------|---------------------|---|--|--|------------------------|--|---|----------|----------------|-------------------------|--|---|----------------------------|----------|--|----------|--|---------------------------------|
| | | | | | | | | No. of Voting Rights | | | | | | Total as a % of (A+B+C) | No. (a) | As a % of total shares held (B) | No. (a) | | As a % of total shares held (B) |
| | | | | | | | | Class X | Class Y | Total | Total as a % of (A+B+C) | | | | | | | | |
| I | II | III | IV | V | VI | VII=IV+V+VI | VIII | IX | | | | X | XI=VII+X | XII | | XIII | | XIV | |
| (A) | Promoters and Promoter Group | 6 | 1425875 | - | - | 1425875 | 84.94 | 1425875 | - | 1425875 | 84.94 | - | 84.94 | - | - | - | - | 1425875 | |
| (B) | Public | 6 | 252875 | - | - | 252875 | 15.06 | 252875 | - | 252875 | 15.06 | - | 15.06 | - | - | - | - | 252875 | |
| (C) | Non Promoter-Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Total | 12 | 1678750 | - | - | 1678750 | 100 | 1678750 | - | 1678750 | 100 | - | 100.00 | - | - | - | - | 1678750 | |

*As on the date of this Prospectus 1 Equity Shares holds 1 vote.



I. Shareholding Pattern of Promoters and Promoter Group

| # | Category & name of shareholder (I) | PAN (II) | N. of shareholders (III) | No. of fully paid up equity shares Held (IV) | No. of Partly paid up equity shares (V) | No. of shares underlying Depository Unrealize (VI) | Total nos. shares held (VII) | Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII) | 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) As a % of (A+B+C2) (XI)=(VII)+(X) | Number of locked in Shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of shares held in dematerialized form (XIV) | |
|------------|--|----------|--------------------------|--|---|--|------------------------------|--|---|-----------|----------------|--|---|----------------------------------|----------|---|----------|--|---------------------------------|
| | | | | | | | | | No. of Voting Rights | | | | | Total as a % of (A+B+C) | No. (a) | As a % of total shares held (B) | No. (a) | | As a % of total shares held (B) |
| | | | | | | | | | Class : X | Class : Y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII)=(IV)+(V)+(VI) | (VIII) | (IX) | | | (X) | (XI)=(VII)+(X) | (XII) | (XIII) | (XIV) | | | |
| (1) | Indian | | | | | | | | | | | | | | | | | | |
| (a) | Individual/HUF | | 6 | 1425875 | - | - | 1425875 | 84.94 | 1425875 | - | 1425875 | 84.94 | - | 84.94 | - | - | - | - | 1425875 |
| 1 | Sumit Tiwari | - | 1 | 1232975 | - | - | 1232975 | 73.45 | 1232975 | - | 1232975 | 73.45 | - | 73.45 | - | - | - | - | 1232975 |
| 2 | Snigdha Tiwari | - | 1 | 192500 | - | - | 192500 | 11.47 | 192500 | - | 192500 | 11.47 | - | 11.47 | - | - | - | - | 192500 |
| 3 | Madhuri Tiwari | - | 1 | 100 | - | - | 100 | 0.01 | 100 | - | 100 | 0.01 | - | 0.01 | - | - | - | - | 100 |
| 4 | Utkarsha Mishra | - | 1 | 100 | - | - | 100 | 0.01 | 100 | - | 100 | 0.01 | - | 0.01 | - | - | - | - | 100 |
| 5 | Amit Tiwari | - | 1 | 100 | - | - | 100 | 0.01 | 100 | - | 100 | 0.01 | - | 0.01 | - | - | - | - | 100 |
| 6 | Amar Nath Tiwari | - | 1 | 100 | - | - | 100 | 0.01 | 100 | - | 100 | 0.01 | - | 0.01 | - | - | - | - | 100 |
| (b) | Cent. Govt./ State Government(s) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Financial Institutions/Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Any other(Body Corporate) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub- total (A) (1) | | 6 | 1425875 | - | - | 1425875 | 84.94 | 1425875 | - | 1425875 | 84.94 | - | 84.94 | - | - | - | - | 1425875 |
| (2) | Foreign | | | | | | | | | | | | | | | | | | |
| (a) | Individual (NRI/ Foreign Individual) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | Government | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1 | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) | Any Other(specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub- Total(A) (2) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2) | | 6 | 1425875 | - | - | 1425875 | 84.94 | 1425875 | - | 1425875 | 84.94 | - | 84.94 | - | - | - | - | 1425875 |



II. Shareholding Pattern of the Public shareholder

| # | Category & name of shareholder | P A N | No. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held (VII) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form | |
|-----|--|-------|---------------------|---|--|--|------------------------------|--|--|-----------|--------|--|---|----------------------------|---------|--|---------|--|---------------------------------|
| | | | | | | | | | No. of Voting Rights | | | | | Total as a % of (A+B+C) | No. (a) | As a % of total shares held (B) | No. (a) | | As a % of total shares held (B) |
| | | | | | | | | | Class : X | Class : Y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) | | | (X) | (XI)=(VII)+(X) | (XII) | | (XIII) | | (XIV) | |
| (1) | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | Mutual Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) | Venture Capital Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| I | Alternate Investment Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| I | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (f) | Financial Institutions/ Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (g) | Insurance Companies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (h) | Provident Funds/ Pension Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (i) | Any other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B)(1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Central Government/State Government (s)/ President of India | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B) (2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (3) | Non- Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Individuals- | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | i. Individual shareholders holding nominal share capital up to Rs. 2 lakh. | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakh | - | 6 | 252875 | - | - | 252875 | 15.06 | 252875 | - | 252875 | 15.06 | - | - | - | - | - | - | 252875 |
| | 1. Pooja Almadi | - | 1 | 127875 | - | - | 127875 | 7.62 | 127875 | - | 127875 | 7.62 | - | - | - | - | - | - | 127875 |
| | 1. Anshul Agarwal | - | 1 | 25000* | - | - | 25000 | 1.49 | 25000 | - | 25000 | 1.49 | - | - | - | - | - | - | 25000 |
| | 2. Anshu Agarwal | - | 1 | 25000* | - | - | 25000 | 1.49 | 25000 | - | 25000 | 1.49 | - | - | - | - | - | - | 25000 |
| | 3. Subash Agarwal | - | 1 | 25000* | - | - | 25000 | 1.49 | 25000 | - | 25000 | 1.49 | - | - | - | - | - | - | 25000 |
| | 4. Muskan Agarwal | - | 1 | 25000 | - | - | 25000 | 1.49 | 25000 | - | 25000 | 1.49 | - | - | - | - | - | - | 25000 |
| | 5. Sunny Raheja | - | 1 | 25000 | - | - | 25000 | 1.49 | 25000 | - | 25000 | 1.49 | - | - | - | - | - | - | 25000 |
| (b) | NBFCs registered with RBI | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| I | Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Overseas Depositories (holding DRs) (balancing figure) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| I | Any Other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total (B)(3) | - | 6 | 252875 | - | - | 252875 | 15.06 | 252875 | - | 252875 | 15.06 | - | - | - | - | - | - | 252875 |
| | Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3) | - | 6 | 252875 | - | - | 252875 | 15.06 | 252875 | - | 252875 | 15.06 | - | - | - | - | - | - | 252875 |

* SEBI vide its Interim Ex-Parte Order no. WTM/AN/ISD/ISD-SEC-1/24334/2022-23 dated March 02, 2023 has frozen the shares of Mr. Anshul Agarwal, Ms. Anshu Agarwal and Mr. Subhash Agarwal.



III. Shareholding pattern of the Non Promoter- Non Public shareholder

| # | Category & name of shareholder | PAN | No. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2) | Number of Voting Rights held in each class of securities | | | | No. of Share Under lying Outstanding convertible securities (including Warrants) | Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form |
|-----|--|------|---------------------|---|--|--|------------------------|---|--|-------|---|-------------------------------------|--|---|----------------------------|---------------------------------|--|--|--|
| | | | | | | | | | No. of Voting Rights | | | Total as a % Of Total Voting rights | | | No. (a) | As a % of total shares held (B) | No. (Not Applicable) | As a % of total shares held (Not Applicable) | |
| | | | | | | | | Class: X | Class: Y | Total | | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII)= (IV)+(V) +(VI) | (VIII) | (IX) | | | | (X) | (XI)=(V II)+(X) | (XII) | | (XIII) | | (XIV) |
| (1) | Custodian /DR Holder | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) | Name of DR Holder (if applicable) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total Non- Promoter – Non Public Shareholding I=(I)+I(2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

- Note:
- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Presently, all the existing equity shares of the Company are in dematerialized form.
 - PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.
 - Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.

5. As on the date of this Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company.
6. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and “public” before and after the Issue:

| S.No. | Name of share holder | Pre issue | | Post issue | |
|----------------------------|----------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1. | Sumit Tiwari | 12,32,975 | 73.45 | 12,32,975 | 53.17 |
| 2. | Snigdha Tiwari | 1,92,500 | 11.47 | 1,92,500 | 8.30 |
| Total – A | | 14,25,475 | 84.92 | 14,25,475 | 61.47 |
| Promoter Group | | | | | |
| 3. | Madhuri | 100 | 0.01 | 100 | Negligible |
| 4. | Amit Tiwari | 100 | 0.01 | 100 | Negligible |
| 5. | Utkarsha Mishra | 100 | 0.01 | 100 | Negligible |
| 6. | Amar Nath Tiwari | 100 | 0.01 | 100 | Negligible |
| Total – B | | 400 | 0.04 | 400 | Negligible |
| Public | | | | | |
| 7. | Pooja Almadi | 1,27,875 | 7.62 | 1,27,875 | 5.51 |
| 8. | Anshul Agarwal | 25,000 | 1.49 | 25,000 | 1.08 |
| 9. | Anshu Agarwal | 25,000 | 1.49 | 25,000 | 1.08 |
| 10. | Subash Agarwal | 25,000 | 1.49 | 25,000 | 1.08 |
| 11. | Muskan Agarwal | 25,000 | 1.49 | 25,000 | 1.08 |
| 12. | Sunny Raheja | 25,000 | 1.49 | 25,000 | 1.08 |
| 13. | IPO | - | - | 6,40,000 | 27.60 |
| Total-C | | 2,52,875 | 15.06 | 8,92,875 | 38.51 |
| Grand Total (A+B+C) | | 16,78,750 | 100.00 | 23,18,750 | 100.00 |

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|----------------------|--------------------|--------------------------------------|
| Sumit Tiwari | 12,32,975 | 6.07* |
| Snigdha Tiwari | 1,92,500 | 3.64** |

* As Certified by M/s Kapish Jain & Associates, chartered accountants dated March 20, 2023.

**As Certified by M/s Kapish Jain & Associates, chartered accountants dated May 15, 2023

8. 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 this Prospectus:

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|----------------------|----------------------------|------------------------|
| 1. | Sumit Tiwari | 12,32,975 | 73.45 |
| 2. | Snigdha Tiwari | 1,92,500 | 11.47 |
| 3. | Pooja Almadi | 1,27,875 | 7.62 |
| 4. | Anshul Agarwal | 25,000 | 1.49 |

| | | | |
|----|----------------|------------------|---------------|
| 5. | Anshu Agarwal | 25,000 | 1.49 |
| 6. | Subash Agarwal | 25,000 | 1.49 |
| 7. | Muskan Agarwal | 25,000 | 1.49 |
| 8. | Sunny Raheja | 25,000 | 1.49 |
| | Total | 16,78,350 | 99.98% |

(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 this Prospectus:

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|----------------------|----------------------------|------------------------|
| 1. | Sumit Tiwari | 12,32,975 | 73.45 |
| 2. | Snigdha Tiwari | 1,92,500 | 11.47 |
| 3. | Pooja Almadi | 1,27,875 | 7.62 |
| 4. | Anshul Agarwal | 25,000 | 1.49 |
| 5. | Anshu Agarwal | 25,000 | 1.49 |
| 6. | Subash Agarwal | 25,000 | 1.49 |
| 7. | Muskan Agarwal | 25,000 | 1.49 |
| 8. | Sunny Raheja | 25,000 | 1.49 |
| | Total | 16,78,350 | 99.98% |

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|----------------------|----------------------------|------------------------|
| 1. | Sumit Tiwari | 3,48,500 | 74.95% |
| 2. | Snigdha Tiwari | 70,000 | 15.05% |
| 3. | Pooja Almadi | 46,500 | 10.00% |
| | Total | 4,65,000 | 100.00% |

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|----------------------|----------------------------|------------------------|
| 1. | Sumit Tiwari | 3,48,500 | 74.95% |
| 2. | Snigdha Tiwari | 70,000 | 15.05% |
| 3. | Pooja Almadi | 46,500 | 10.00% |
| | Total | 4,65,000 | 100.00% |

*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 this Prospectus.

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

9. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.

10. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus at a price lower than the Issue Price, except as following.

| # | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|-------------------|------------------------|------------------|-------------------|--------------------|-------------------------------------|----------------------------|
| 1. | Sumit Tiwari | 1,00,000 | 10.00 | 40.00 | September 13, 2022 | Conversion of Loan | - |
| 2. | Sumit Tiwari | 7,84,875 | 10.00 | - | September 13, 2022 | Bonus Issue in the Ratio of 1.75: 1 | - |
| 3. | Pooja Almadi | 81,375 | 10.00 | - | | | - |
| 4. | Snigdha Tiwari | 1,22,500 | 10.00 | - | | | - |
| 5. | Anshul Agarwal | 25,000 | 10.00 | 40.00 | October 19, 2022 | Private Placement | - |
| 6. | Anshu Agarwal | 25,000 | 10.00 | 40.00 | | | - |
| 7. | Subash Agarwal | 25,000 | 10.00 | 40.00 | | | - |
| 8. | Muskan Agarwal | 25,000 | 10.00 | 40.00 | | | - |
| 9. | Sunny Raheja | 25,000 | 10.00 | 40.00 | | | - |
| Total | | 12,13,750 | | | | | |

11. Except as disclosed in this Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
12. We have 12 (Twelve) shareholders as on the date of filing of this Prospectus.
13. As on the date of this Prospectus, our Promoters and Promoters' Group hold total 14,25,875 Equity Shares representing 84.94% of the pre-issue paid up share capital of our Company.
14. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Prospectus except following:

| S.No. | Transfer date | From | To | No of Shares | FV of Equity Share |
|-------|--------------------|--------------|------------------|--------------|--------------------|
| 1 | September 15, 2022 | Sumit Tiwari | Madhuri | 100 | Rs. 10/- |
| 2 | | Sumit Tiwari | Amit Tiwari | 100 | |
| 3 | | Sumit Tiwari | Utkarsha Mishra | 100 | |
| 4 | | Sumit Tiwari | Amar Nath Tiwari | 100 | |

15. 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 this Prospectus.

16. Details of Promoter’s Contribution locked in for 3 years:

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter’s Contribution.

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

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 3 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 utilised 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 specified minimum lot 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 the Equity Shares held by our Promoters, which are locked in for a period of 3 years from the date of Allotment in the Offer are given below:

| Name of Promoter | Date of Transaction and when made fully paid-up | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/ Acquisition Price per Equity Share (Rs.) | Percentage of post-Offer paid-up capital (%) | Lock in Period |
|------------------|---|-----------------------|----------------------|------------------|---|--|----------------|
| Sumit Tiwari | September 13, 2022 | Bonus issue | 4,64,000 | 10 | - | 20.01% | 3 Years |

The Equity Shares that are being locked in are not ineligible for computation of Promoters contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters contribution are not subject to pledge. Lock-in period shall commence from the date of allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for 3 years does not consist of:

a) Equity Shares acquired during the preceding three years for consideration other than cash and

- revaluation of assets or capitalization of intangible assets;
- b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters contribution;
 - c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
 - d) The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
 - e) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

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.

Equity Shares locked-in for one year

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters’ contribution, the promoters and public pre-issue shareholding of Equity Share capital of our Company, *i.e.* 12,14,750 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the 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 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.

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 Promoter and Promoters’ Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

17. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person
18. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except as following:

| # | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|-------------------|------------------------|------------------|-------------------|--------------------|-------------------------------------|----------------------------|
| 1. | Sumit Tiwari | 1,00,000 | 10.00 | 40.00 | September 13, 2022 | Conversion of Loan | - |
| 2. | Sumit Tiwari | 7,84,875 | 10.00 | - | September 13, 2022 | Bonus Issue in the Ratio of 1.75: 1 | - |
| 3. | Pooja Almadi | 81,375 | 10.00 | - | September 13, 2022 | | - |
| 4. | Snigdha Tiwari | 1,22,500 | 10.00 | - | September 13, 2022 | | - |
| Total | | 10,88,750 | | | | | |

19. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.
20. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
21. 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, 2014.
22. There are no safety net arrangements for this public Offer.
23. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
24. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
25. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.

27. There is no Buyback, Stand by, or similar arrangement by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares issued / offered through this Prospectus.
28. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
29. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
30. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE
31. The Issue is being made through Fixed Price Method.
32. Lead Manager to the Issue viz. Fast Track Finsec Private Limited and its associates do not hold any Equity Shares of our Company.
33. Mr. Subhash Agarwal, Director & Promoter of Registrar & Share Transfer Agent (RTA) along with relative hold 50,000 Equity Share of Company as on date of prospectus.
34. Mr. Anshul Agarwal, Director of Nikunj Stock Brokers Limited, Market Maker to the issue along with relative hold 50,000 Equity Share of Company as on date of prospectus.
35. Our Company has not raised any bridge loan against the proceeds of this Issue.
36. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
37. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
38. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
39. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
40. Our Promoters and the members of our Promoter Group will not participate in this Issue.
41. Our Company has not made any public issue since its incorporation.
42. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
43. For the details of transactions by our Company with our Promoter Group, Group Companies during last three years ended on March 31, 2022, March 31, 2021 & March 31 2020 Fiscals, please refer to “Annexure IX” –*Related Party Transaction* in the chapter titled “*Financial Information*” beginning on page number 197 of this Prospectus.
44. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” beginning on page number 139 of this Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the Emerge Platform of NSE.

The objects of the Issue are:-

1. To meet out the Working Capital requirements of the Company;
2. To meet out the General Corporate Purposes; and
3. To meet out the Issue Expenses.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

Fund Requirements

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

| Sr. No. | Particulars | Amount (In Rs. Lakh) |
|---------|-----------------------------|----------------------|
| 1. | Working Capital Requirement | 350.00 |
| 2. | General Corporate Purposes | 111.20 |
| 3. | Issue Expenses* | 70.00 |
| | Total | 531.20 |

**As on March 16, 2023 the Company has incurred a sum of Rs. 2.50 Lakh towards issue expenses.*

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

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

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

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

Details of Utilization of Issue Proceeds

1. Working Capital Requirements:

(Amount in Lakhs)

| Statement of Working Capital Requirements | | | | | |
|--|------------------|------------------|------------------|--------------------|--------------------|
| | 2021 | 2022 | 2023 | 2024 | 2025 |
| | (Audited) | (Audited) | (Audited) | (Estimated) | (Estimated) |
| <i>Current Assets</i> | | | | | |
| Inventories | 79.68 | 209.83 | 435.05 | 767.61 | 1519.60 |
| Trade Receivables | 92.06 | 129.19 | 277.53 | 839.89 | 1006.87 |
| Cash and Cash Equivalents | 5.04 | 3.88 | 7.71 | 51.50 | 125.00 |
| Short-term Loans and Advances | 8.60 | 20.84 | 74.98 | 62.00 | 84.00 |
| Other Current Assets | 0.09 | 5.47 | 28.97 | 1.25 | 2.50 |
| Total (A) | 185.47 | 369.21 | 824.23 | 1722.25 | 2737.97 |
| <i>Current Liabilities</i> | | | | | |
| (a) Short-Term Borrowings | 78.32 | 170.02 | 403.26 | 100.00 | 250.00 |
| (b) Trade Payables | 82.10 | 93.51 | 143.88 | 97.80 | 100.00 |
| (c) Other Current Liabilities | 24.94 | 28.76 | 66.37 | 57.40 | 92.55 |
| (d) Short-Term Provisions | 4.78 | 12.24 | 22.23 | 194.06 | 371.86 |
| Total (B) | 190.14 | 304.53 | 635.74 | 449.26 | 814.41 |
| Net Working Capital (A)-(B) | (4.67) | 64.68 | 188.49 | 1272.99 | 1923.56 |

| Sources of Working Capital | | | | | |
|---|--|--|--|--------|--|
| Working Capital Funding through IPO | | | | 531.20 | |
| Internal Sources/Share Capital/Borrowings | | | | 741.79 | |

Basis of Estimation

(in days)

| Particulars | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| No. of Days for Trade Payables | 91 | 91 | 51 | 12 | 6 |
| No. of Days for Trade Receivables | 63 | 59 | 58 | 61 | 35 |
| No. of Days for Inventory Days | 88 | 205 | 156 | 94 | 84 |

Justification:

| | |
|---------------------|---|
| Trade Payables Days | We expect Trade Payables days to be at 12 Days approx. for FY 2023-24 and 6 days approx. for the FY 2024-25. Our company has estimated to reduce the period of payment to creditors to take the benefit of discount on early payment or advance payment of goods in bulk. |
|---------------------|---|

| | |
|------------------------|---|
| Trade Receivables Days | We expect Trade Receivables days to be at 61 Days approx. for FY 2023-24 and 35 days approx. for the FY 2024-25, Our company expects to have better recovery position and recovery of outstanding by deploying better team. |
| Inventory Days | We expect Inventory Days to be at 94 Days approx. for FY 2023-24 and 84 days approx. for the FY 2024-25. It is estimated that with increase in sales and better economic order quantity, inventory shall be maintained accordingly. |

2. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating Rs. 100.00 Lakh for General Corporate Purposes subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

3. Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs 70.00 Lakh.

(Rs. In Lakh)

| # | Particulars | Amount (Rs. in Lakhs) | % of Total Expenses |
|--------------|---|-----------------------|---------------------|
| 1 | Lead manager(s) fees including underwriting commission. | 15.00 | 21.43% |
| 2 | Brokerage, selling commission and upload fees. | 10.00 | 14.29% |
| 3 | Registrars to the issue | 2.00 | 2.86% |
| 4 | Legal Advisors | 1.00 | 1.43% |
| 5 | Printing, advertising and marketing expenses | 1.50 | 2.14% |
| 6 | Regulators including stock exchanges | 4.00 | 5.71% |
| 7 | Others, if any (Advisors to the company, Peer Review Auditors, and other misc. expenses like printing & stationery etc.) | 36.50 | 52.14% |
| Total | | 70.00 | 100% |

MEANS OF FINANCE

(Rs. in Lakh)

| Particulars | Estimated Amount |
|-------------|------------------|
| IPO Proceed | 531.20 |

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

SCHEDULE OF IMPLEMENTATION

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

(Amount in Lakh)

| S. No. | Particulars | Amount to be funded from Net Proceeds | Expenses incurred till March 16, 2023 | Estimated Utilisation of Net Proceeds (F.Y. 2023-24) |
|--------------|-----------------------------|---------------------------------------|---------------------------------------|--|
| 1 | Working Capital Requirement | 350.00 | - | 350.00 |
| 2 | General Corporate Purposes | 111.20 | - | 111.20 |
| 3 | Issue Expenses* | 70.00 | 2.50 | 67.50 |
| Total | | 531.20 | 2.50 | 528.50 |

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated March 17, 2023 from M/s Kapish Jain & Associates, Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs. 2.50 Lakhs as on March 16, 2023.

INTERIM USE OF FUNDS

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

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

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 authorised 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 issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 152, 156 and 139 of this Prospectus.

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BASIS FOR ISSUE PRICE

The Issue Price of Rs. 83/- per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10/- and Issue Price is Rs. 83/- per Equity Share.

QUALITATIVE FACTORS

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

1. *Good track record;*
2. *Government support to Power industry*
3. *Leveraging the experience of our Promoters;*
4. *Experienced management team and a motivated and efficient work force;*
5. *Cordial relations with our consumers;*
6. *Quality assurance and control.*

For further details, refer heading chapter titled “Our Business” beginning on page 103 of this Prospectus.

QUANTITATIVE FACTORS

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price are as follows:

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

| Financial Year | EPS (Basic & Diluted) | Weight |
|-----------------------------|-----------------------|-------------|
| 2022-23 | 6.35 | 3 |
| 2021-22 | 12.36 | 2 |
| 2020-21 | 3.38 | 1 |
| Weighted Average EPS | | 7.36 |

Note:

- a) EPS Calculations have been done in accordance with Accounting Standard 20 - Earning per share issued by the Institute of Chartered Accountants of India.
- b) Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period.
- c) Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- d) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 83/- per Equity Share of face value Rs. 10/- each fully paid up.

| Particulars | P/E Ratio |
|--|-----------|
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23 | 13.07 |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-2022 | 5.66 |
| P/E ratio based on the Weighted Average EPS, as restated | 11.28 |

Industry P/E

| | |
|----------------|--------------|
| Highest | 169.23 |
| Lowest | (20.40) |
| Average | 34.18 |

3. Return on Net Worth (RONW)

(Amount in lakhs except no of shares)

| Financial Year | Return on Net Worth (%) | Weight |
|-------------------------|-------------------------|--------------|
| 2022-23 | 23.18 | 3 |
| 2021-22 | 36.80 | 2 |
| 2020-21 | 16.11 | 1 |
| Weighted Average | | 25.36 |

Note:

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- 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
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

4. Net Asset Value per Equity Share

| Particulars | Net Asset Value (NAV) in Rs. |
|-----------------------|------------------------------|
| 2022-23 | 19.09 |
| 2021-22 | 33.60 |
| 2020-21 | 21.23 |
| NAV Post-Issue | 36.73 |
| Issue Price | 83.00 |

**Not Annualized*

Note: Net Asset Value has been calculated as per the following formula:

NAV = Net worth excluding preference share capital and revaluation reserve/Outstanding number of Equity shares outstanding during the year or period.

5. Comparison with industry peers

| S.N. | Name of the company | Face Value (Per Share) | CMP | EPS | P/E Ratio | RONW (%) | NAV (Rs. Per share) | PAT (Rs. in Lakh) |
|--------------------|--------------------------------------|------------------------|--------|------|-----------|----------|---------------------|-------------------|
| 1 | Sungarner Energies Limited | 10.00 | 83.00 | 6.35 | 13.07 | 23.18% | 19.09 | 74.31 |
| Peer Group* | | | | | | | | |
| 2 | Insolation Energy Limited | 10.00 | 213.90 | 0.76 | 41.7 | 12.72% | 23.20 | 614.90 |
| 3 | Veer Energy & Infrastructure Limited | 10.00 | 12.36 | 0.02 | 310 | 0.04% | 42.56 | 2.28 |
| 4 | V Guard Industries Limited | 1.00 | 303.85 | 4.15 | 65.91 | 12.56% | 36.74 | 19937.90 |

Note: Industry Peer may be modified for finalisation of Issue Price before filing Prospectus with ROC.

Notes:

- Considering the nature and turnover of business of the Company the peer are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Sungarner Energies Limited are based on the restated results for the year ended March 31, 2023
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2023.
- Current Market Price (CMP) is the closing price of respective scrip as on August 11, 2023.

Key financial and operational performance indicators (“KPIs”)

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 11, 2023. Further, the KPIs herein have been certified by Kapish Jain & Associates, Chartered Accountants, by their certificate dated August 12, 2023. Additionally, the Audit Committee on its meeting dated August 12, 2023 have confirmed that other than verified and audited KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of this Prospectus.

In additions to key performance indicators, investors are advised to see “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 23, 103 and 200, respectively to track our financial performance. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on pages 01. Our Company confirms that it shall continue to disclose all the KPIs included in this section “Basis for Offer Price”, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

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

Standalone KPI indicators

(Amount in lakh, except EPS, % and ratios)

| Particulars | Financial Year ended March 31, 2023 | Financial Year ended March 31, 2022 | Financial Year ended March 31, 2021 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Revenue from operations ⁽¹⁾ | 1,731.80 | 793.79 | 536.43 |
| Revenue CAGR (%) from F.Y. 2021-2023 ⁽²⁾ | 79.68% | | |
| EBITDA ⁽³⁾ | 159.00 | 98.42 | 37.48 |
| EBITDA (%) Margin ⁽⁴⁾ | 9.18% | 12.40% | 6.99% |
| EBITDA CAGR (%) from F.Y. 2021-2023 ⁽⁵⁾ | 105.97% | | |
| EBIT ⁽⁶⁾ | 147.87 | 91.55 | 31.39 |
| ROCE (%) ⁽⁷⁾ | 25.28% | 32.84% | 14.35% |
| Current ratio ⁽⁸⁾ | 1.30 | 1.21 | 0.98 |
| Operating cash flow ⁽⁹⁾ | (222.18) | (68.52) | 9.51 |
| PAT ⁽¹⁰⁾ | 74.31 | 57.50 | 15.72 |
| ROE/ RONW ⁽¹¹⁾ | 31.17% | 45.10% | 17.32% |
| EPS ⁽¹²⁾ | 6.35 | 12.36 | 3.38 |

Notes:

- (1) Revenue from operations is the revenue generated from operations by our Company.
- (2) Revenue CAGR: The three-year compound annual growth rate in Revenue.

$$[(Ending\ Value/Beginning\ Value)^{(1/N)}]-1$$
- (3) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- (4) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (5) EBITDA CAGR: The three-year compound annual growth rate in EBITDA.

$$[(Ending\ Value/Beginning\ Value)^{(1/N)}]-1$$
- (6) EBIT is Earnings before Finance Cost and taxes.
- (7) ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term debt.
- (8) Current Ratio: Current Asset over Current Liabilities
- (9) Operating Cash Flow: Net cash inflow from operating activities
- (10) PAT is mentioned as profit after tax for the period.
- (11) ROE: Return on Equity is calculated as PAT divided by shareholders' equity
- (12) EPS: Earning per share is calculated as PAT divide by Weighted No. of equity shares.

Set forth the description of historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company.

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

| KPI | Explanation |
|------------------------|---|
| Revenue from operation | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business. |
| Revenue CAGR % | Revenue CAGR informs the management of compounded annual growth rate i.e. Rate at which Company's revenue are growing on annual basis. |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin (%) | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| EBITDA CAGR % | EBITDA CAGR indicate our compounded growth of the business |
| EBIT | EBIT indicates the performance of core operations without cost of the capital and tax expenses which impacts profits |
| ROCE % | ROCE provides how efficiently our Company generates earnings from the capital employed in the business. |
| Current Ratio | Current ratio indicate the company's ability to bear its short term obligations |
| Operating Cash Flow | Operating cash flow shows whether the company is able to generate cash from day to day business |
| PAT | Profit after Tax is an indicator which determine the actual earning available to equity shareholders |
| ROC/RoNW | ROC/RoNW (%) is an indicator which shows how much company is generating from its available shareholders' funds |
| EPS | Earning per shares is the company's earnings available of one share of the Company for the period |

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7. Comparison of KPI with listed industry peers

(Amount in Lakhs, except %)

| Key Financial Performance | Sungarner Energies Limited | | | Insolation Energy Limited | | | Veer Energy & Infrastructure Limited | | | V Guard Industries Limited | | |
|---|----------------------------|--------------|--------------|---------------------------|--------------|--------------|--------------------------------------|--------------|--------------|----------------------------|--------------|--------------|
| | FY 2022-23 | F.Y. 2021-22 | F.Y. 2020-21 | FY 2022-23 | F.Y. 2021-22 | F.Y. 2020-21 | FY 2022-23 | F.Y. 2021-22 | F.Y. 2020-21 | FY 2022-23 | F.Y. 2021-22 | F.Y. 2020-21 |
| Revenue from operation ⁽¹⁾ | 1731.80 | 793.79 | 536.43 | 25,866.75 | 21,439.00 | 16,145.59 | 642.67 | 521.83 | 756.22 | 404,960.32 | 3,74,765.00 | 2,69,900.00 |
| Growth in Revenue from operation ⁽²⁾ | 118.17% | 47.98% | 23.07% | 20.65% | 32.79% | 82.76% | 23.16% | (30.99%) | 24.03% | 8.06% | 38.85% | 8.31% |
| EBITDA ⁽³⁾ | 159.00 | 98.42 | 37.48 | 1257.12 | 1,360.00 | 1,199.18 | 202.45 | 175.66 | 169.28 | 31,573.62 | 34,507.00 | 32,759.00 |
| EBITDA Margin ⁽⁴⁾ | 9.18% | 12.40% | 6.99% | 4.85% | 6.34% | 7.43% | 24.28% | 33.66% | 22.39% | 7.77% | 9.21% | 12.14% |
| PAT ⁽⁵⁾ | 74.31 | 57.50 | 15.72 | 614.90 | 694.00 | 679.48 | 2.28 | 83.30 | 31.63 | 19,937.90 | 22,680.00 | 19,898.00 |
| PAT Margin ⁽⁶⁾ | 4.29% | 7.24% | 2.93% | 2.38% | 3.24% | 4.21% | 0.28% | 11.78% | 4.18% | 4.91% | 6.05% | 7.37% |
| Net Worth ⁽⁷⁾ | 320.54 | 156.23 | 98.73 | 4834.03 | 2,213.00 | 1,519.64 | 6368.53 | 6,363.19 | 6,283.22 | 1,58,799.69 | 1,40,250.00 | 1,20,780.00 |

Notes:

- ⁽¹⁾ Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected.
- ⁽²⁾ Growth in Revenue from Operations (%) is calculated as 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⁾ EBITDA is calculated as Profit before tax + Depreciation + Finance Cost
- ⁽⁴⁾ 'EBITDA Margin' is calculated as EBITDA divided by revenue from operations.
- ⁽⁵⁾ 'PAT' is the profit for the year after tax.
- ⁽⁶⁾ 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- ⁽⁷⁾ Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account.

8. Weighted average cost of acquisition

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

Following are the primary/ new issue of shares of Equity Share excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this prospectus where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (*calculated based on the pre-issue capital before such transaction*), in a single transaction or multiple transactions combined together over a span of rolling 30 days;

| Date of allotment | No of equity shares allotted | Face value | Issue price | Nature of allotment | Nature of consideration | Total consideration |
|--------------------|------------------------------|------------|-------------|---------------------|-------------------------|---------------------|
| September 13, 2022 | 1,00,000 | 10 | 40 | Conversion of Loan | Cash | 40,00,000 |
| October 19, 2022 | 1,25,000 | 10 | 40 | Private Placement | Cash | 50,00,000 |

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

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

Following are the details based on last 5 Primary or Secondary transactions not older than 3 years prior to the date of filing of Prospectus, as there are no such transactions to report under Clause (b):

The price per share of our Company based on the secondary sale/ acquisition of shares:

| Date of Transfer | Transferor | Transferee | No of equity shares | Face value | Transfer Price | Nature of consideration | Total consideration |
|--------------------|--------------|------------------|---------------------|------------|----------------|-------------------------|---------------------|
| September 15, 2022 | Sumit Tiwari | Madhuri Tiwari | 100 | 10 | - | Other than cash | - |
| | | Amit Tiwari | 100 | 10 | - | Other than cash | - |
| | | Utkarsha Mishra | 100 | 10 | - | Other than cash | - |
| | | Amar Nath Tiwari | 100 | 10 | - | Other than cash | - |

(c) *The weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) respectively as disclosed in terms of above clause (a) and (b), is disclosed in the following manner:*

| Type of transaction | Weighted average cost of acquisition (₹ per equity shares) | Issue Price |
|--|---|--------------------|
| Weighted average cost of primary / new issue acquisition | 40 | 2.08 times |
| Weighted average cost of secondary acquisition | NA | NA |
| Weighted average cost of acquisition on the basis primary/ new issue of shares not older than 3 years prior to the date of filing of Prospectus | NA | NA |
| Weighted average cost of acquisition on the basis secondary sale/ acquisition of shares not older than 3 years prior to the date of filing of Prospectus | NIL | NA |

(d) *Explanation for the Issue Price:*

The Issue Price of Rs. 83/- has been determined by our Company in consultation with the Lead Manager which is justified on the basis of the above information.

For further details see section titled “Risk Factors” beginning on page 23 and the financials of the Company including profitability and return ratios, as set out in the section titled “Auditors Report and Financial Information of Our Company” beginning on page 164 of this Prospectus for a more informed view.

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STATEMENT OF TAX BENEFITS

Independent Auditor's Report on Statement of Special Tax Benefits

To,
The Board of Directors
SunGarner Energies Limited
(Formerly known as SunGarner Energies Private Limited)
1/5322, S/F, Plot No. 19A, Gali no.-13 ,
Balbir Nagar Extension,
New Delhi-110032

Dear Sir,

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

We hereby confirm that the enclosed annexure, prepared by "SunGarner Energies Limited" ("the Company") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India for inclusion in the Draft Prospectus ("DP") / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on

the discussions herein.

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

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

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

Limitations

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

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Prospectus / Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Signed in terms of our separate report of even date.

For Kapish Jain & Associates,

Chartered Accountants,

Firm Reg. No: 022743N

Sd/-

Kapish Jain

Partner

Membership No: 514162

UDIN:23514162BGWHEA2199

Place: Greater Noida

Date: 03 August 2023

Annexure to the statement of possible Tax Benefits

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced 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 fact that certain recently enacted legislation may not have a direct legal precedent or may have 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.

1. Special Tax Benefits available to the Company under the Act:

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

2. Special Tax Benefits available to the shareholders of the Company

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

Notes:

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.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

Signed in terms of our separate report of even date.

For Kapish Jain & Associates,

Chartered Accountants,

Firm Registration No: 022743N

Sd/-

Kapish Jain

Partner

Membership No: 514162

UDIN:23514162BGWHEA2199

Place: Greater Noida

Date: 03 August 2023

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from 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 and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

GLOBAL OUTLOOK

- Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia’s war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.
- The balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 WEO. On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation are plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia’s war in Ukraine could escalate, and tighter global financing conditions could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.
- In most economies, amid the cost-of-living crisis, the priority remains achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spillovers. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.

Forces Shaping the Outlook

The global fight against inflation, Russia’s war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023.

Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labor markets and greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster

than expected to the shock from Russia’s invasion of Ukraine.

In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown.

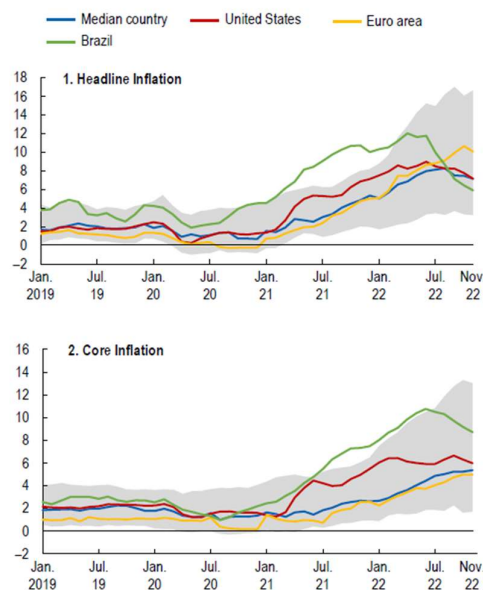
COVID-19 deepens China’s slowdown. Economic activity in China slowed in the fourth quarter amid multiple large COVID-19 outbreaks in Beijing and other densely populated localities. Renewed lockdowns accompanied the outbreaks until the relaxation of COVID-19 restrictions in November and December, which paved the way for a full reopening. Real estate investment continued to contract, and developer restructuring is proceeding slowly, amid the lingering property market crisis. Developers have yet to deliver on a large backlog of presold housing, and downward pressure is building on house prices (so far limited by home price floors). The authorities have responded with additional monetary and fiscal policy easing, new vaccination targets for the elderly, and steps to support the completion of unfinished real estate projects.

However, consumer and business sentiment remained subdued in late 2022. China’s slowdown has reduced global trade growth and international commodity prices.

Monetary policy starts to bite. Signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realized before 2024. Global headline inflation appears to have peaked in the third quarter of 2022 (Figure 1). Prices of fuel and nonfuel commodities have declined, lowering headline inflation, notably in the United States, the euro area, and Latin America. But underlying (core) inflation has not yet peaked in most economies and remains well above pre-pandemic levels. It has persisted amid second-round effects from earlier cost shocks and tight labor markets with robust wage growth as consumer demand has remained resilient. Medium-term inflation expectations generally remain anchored, but some gauges are up. These developments have caused central banks to raise rates faster than expected, especially in the United States and the euro area, and to signal that rates will stay elevated for longer. Core inflation is declining in some economies that have completed their tightening cycle—such as Brazil. Financial markets are displaying high sensitivity to inflation news, with equity markets rising following recent releases of lower inflation data in anticipation of interest rate cuts (Box 1), despite central banks’ communicating their resolve to tighten policy further. With the peak in US headline inflation and an acceleration in rate hikes by several non-US central banks, the dollar has weakened since September but remains significantly stronger than a year ago.

Winter comes to Europe. European economic growth in 2022 was more resilient than expected in the face of the large negative terms-of-trade shock from the war in Ukraine. This resilience—which is visible in consumption and investment data for the third quarter—partly reflects government support of about 1.2 percent of European Union GDP (net budgetary cost) to households and firms hit by the energy crisis, as well as dynamism from economies reopening. Gas prices have declined by more than expected amid higher non-Russian pipeline and liquefied natural gas flows, compression of demand for gas, and a warmer-than-usual winter. However, the boost from reopening appears to be fading. High-frequency indicators for the fourth quarter suggest that the manufacturing and services sectors are contracting. Consumer confidence

Figure 1. Twin Peaks? Headline and Core Inflation
(Percent, year over year)



Sources: Haver Analytics; and IMF staff calculations.
 Note: The figure shows the developments in headline and core inflation across 18 advanced economies and 17 emerging market and developing economies. Core inflation is the change in prices for goods and services, but excluding those for food and energy (or the closest available measure). For the euro area (and other European countries for which the data are available), energy, food, alcohol, and tobacco are excluded. The gray bands depict the 10th to 90th percentiles of inflation across economies.

and business sentiment have worsened. With inflation at about 10 percent or above in several euro area countries and the United Kingdom, household budgets remain stretched. The accelerated pace of rate increases by the Bank of England and the European Central Bank is tightening financial conditions and cooling demand in the housing sector and beyond.

The Forecast

Growth Bottoming out

For advanced economies, growth is projected to decline sharply from 2.7 percent in 2022 to 1.2 percent in 2023 before rising to 1.4 percent in 2024, with a downward revision of 0.2 percentage point for 2024. About 90 percent of advanced economies are projected to see a decline in growth in 2023.

- In the United States, growth is projected to fall from 2.0 percent in 2022 to 1.4 percent in 2023 and 1.0 percent in 2024. With growth rebounding in the second half of 2024, growth in 2024 will be faster than in 2023 on a fourth-quarter-over-fourth-quarter basis, as in most advanced economies. There is a 0.4 percentage point upward revision for annual growth in 2023, reflecting carryover effects from domestic demand resilience in 2022, but a 0.2 percentage point downward revision of growth in 2024 due to the steeper path of Federal Reserve rate hikes, to a peak of about 5.1 percent in 2023.
- Growth in the euro area is projected to bottom out at 0.7 percent in 2023 before rising to 1.6 percent in 2024. The 0.2 percentage point upward revision to the forecast for 2023 reflects the effects of faster rate hikes by the European Central Bank and eroding real incomes, offset by the carryover from the 2022 outturn, lower wholesale energy prices, and additional announcements of fiscal purchasing power support in the form of energy price controls and cash transfers.
- Growth in the United Kingdom is projected to be -0.6 percent in 2023, a 0.9 percentage point downward revision from October, reflecting tighter fiscal and monetary policies and financial conditions and still-high energy retail prices weighing on household budgets.

For emerging market and developing economies, growth is projected to rise modestly, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point for 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging market and developing economies have lower growth in 2023 than in 2022.

- Growth in emerging and developing Asia is expected to rise in 2023 and 2024 to 5.3 percent and 5.2 percent, respectively, after the deeper-than-expected slowdown in 2022 to 4.3 percent attributable to China's economy. China's real GDP slowdown in the fourth quarter of 2022 implies a 0.2 percentage point downgrade for 2022 growth to 3.0 percent—the first time in more than 40 years with China's growth below the global average. Growth in China is projected to rise to 5.2 percent in 2023, reflecting rapidly improving mobility, and to fall to 4.5 percent in 2024 before settling at below 4 percent over the medium term amid declining business dynamism and slow progress on structural reforms. Growth in **India** is set to decline from 6.8 percent in 2022 to 6.1 percent in 2023 before picking up to 6.8 percent in 2024, with resilient domestic demand despite external headwinds. Growth in the **ASEAN-5** countries (**Indonesia, Malaysia, Philippines, Singapore, Thailand**) is similarly projected to slow to 4.3 percent in 2023 and then pick up to 4.7 percent in 2024.
- In **Latin America** and the **Caribbean**, growth is projected to decline from 3.9 percent in 2022 to 1.8 percent in 2023, with an upward revision for 2023 of 0.1 percentage point since October. The forecast revision reflects upgrades of 0.2 percentage point for **Brazil** and 0.5 percentage point for **Mexico** due to unexpected domestic demand resilience, higher-than-expected growth in major trading partner economies, and in Brazil, greater-than-expected fiscal support. Growth in the region is projected to rise to 2.1 percent in 2024, although with a downward revision of 0.3 percentage point, reflecting tighter financial conditions, lower prices of exported commodities, and downward revisions to trading partner growth.

- Growth in the *Middle East and Central Asia* is projected to decline from 5.3 percent in 2022 to 3.2 percent in 2023, with a downward revision of 0.4 percentage point since October, mainly attributable to a steeper-than-expected growth slowdown in *Saudi Arabia*, from 8.7 percent in 2022 (which was stronger than expected by 1.1 percentage points) to 2.6 percent in 2023, with a negative revision of 1.1 percentage points. The downgrade for 2023 reflects mainly lower oil production in line with an agreement through OPEC+ (Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), while non-oil growth is expected to remain robust.
- In *sub-Saharan Africa*, growth is projected to remain moderate at 3.8 percent in 2023 amid prolonged fallout from the COVID-19 pandemic, although with a modest upward revision since October, before picking up to 4.1 percent in 2024. The small upward revision for 2023 (0.1 percentage point) reflects *Nigeria's* rising growth in 2023 due to measures to address insecurity issues in the oil sector. In *South Africa*, by contrast, after a COVID-19 reopening rebound in 2022, projected growth more than halves in 2023, to 1.2 percent, reflecting weaker external demand, power shortages, and structural constraints.

Inflation Peaking

About 84 percent of countries are expected to have lower headline (consumer price index) inflation in 2023 than in 2022. Global inflation is set to fall from 8.8 percent in 2022 (annual average) to 6.6 percent in 2023 and 4.3 percent in 2024—above pre-pandemic (2017–19) levels of about 3.5 percent. The projected disinflation partly reflects declining international fuel and nonfuel commodity prices due to weaker global demand. It also reflects the cooling effects of monetary policy tightening on underlying (core) inflation, which globally is expected to decline from 6.9 percent in the fourth quarter of 2022 (year over year) to 4.5 percent by the fourth quarter of 2023. Still, disinflation will take time: by 2024, projected annual average headline and core inflation will, respectively, still be above pre-pandemic levels in 82 percent and 86 percent of economies.

In advanced economies, annual average inflation is projected to decline from 7.3 percent in 2022 to 4.6 percent in 2023 and 2.6 percent in 2024—above target in several cases. In emerging market and developing economies, projected annual inflation declines from 9.9 percent in 2022 to 8.1 percent in 2023 and 5.5 percent in 2024, above the 4.9 percent pre-pandemic (2017–19) average. In low-income developing countries, inflation is projected to moderate from 14.2 percent in 2022 to 8.6 percent in 2024—still high, but close to the pre-pandemic average.

Slowing aggregate demand and weaker than expected inflation prints in some major advanced economies have prompted investors' anticipation of a further reduction in the pace of future policy rate hikes. Corporate earnings forecasts have been cut due to headwinds from slowing demand, and margins have contracted across most regions. In addition, survey-based probabilities of recession have been increasing, particularly in The United States and Europe. **However, upside risks to the inflation outlook remain.** Despite the recent moderation in headline inflation, core inflation remains stubbornly high across most regions, labor markets are still tight, energy prices remain pressured by Russia's ongoing war in Ukraine, and supply chain disruptions may reappear. To keep these risks in check, financial conditions will likely need to tighten further. If not, central banks may need to increase policy rates even more in order to achieve their inflation objectives.

Given the tension between rising recession risks and monetary policy uncertainty, markets have seen significant volatility. While many central banks in advanced economies have stepped down the size of hikes, they have also explicitly stated they will need to keep rates higher, for a longer period of time, to tamp down inflation. Risk assets could face significant declines if earnings retrench further or if investors reassess their outlook for monetary policy given central bank communications. Globally, the partial reversal of the dollar rally has contributed to recent easing due to improved risk appetite, and some emerging market central banks have paused tightening amid tentative signs that inflation may have peaked.

Risks to the Outlook

The balance of risks to the global outlook remains tilted to the downside, with scope for lower growth and higher inflation, but adverse risks have moderated since the October 2022 World Economic Outlook.

Table 1. Overview of the World Economic Outlook Projections
(Percent change, unless noted otherwise)

| | Year over Year | | | | | | | | |
|---|----------------|------------|-------------|------------|---|-------------|---------------|------------|------------|
| | Estimate | | Projections | | Difference from October 2022 WEO Projections 1/ | | Q4 over Q4 2/ | | |
| | 2021 | 2022 | 2023 | 2024 | 2023 | 2024 | 2022 | 2023 | 2024 |
| World Output | 6.2 | 3.4 | 2.9 | 3.1 | 0.2 | -0.1 | 1.9 | 3.2 | 3.0 |
| Advanced Economies | 5.4 | 2.7 | 1.2 | 1.4 | 0.1 | -0.2 | 1.3 | 1.1 | 1.6 |
| United States | 5.9 | 2.0 | 1.4 | 1.0 | 0.4 | -0.2 | 0.7 | 1.0 | 1.3 |
| Euro Area | 5.3 | 3.5 | 0.7 | 1.6 | 0.2 | -0.2 | 1.9 | 0.5 | 2.1 |
| Germany | 2.6 | 1.9 | 0.1 | 1.4 | 0.4 | -0.1 | 1.4 | 0.0 | 2.3 |
| France | 6.8 | 2.6 | 0.7 | 1.6 | 0.0 | 0.0 | 0.5 | 0.9 | 1.8 |
| Italy | 6.7 | 3.9 | 0.6 | 0.9 | 0.8 | -0.4 | 2.1 | 0.1 | 1.0 |
| Spain | 5.5 | 5.2 | 1.1 | 2.4 | -0.1 | -0.2 | 2.1 | 1.3 | 2.8 |
| Japan | 2.1 | 1.4 | 1.8 | 0.9 | 0.2 | -0.4 | 1.7 | 1.0 | 1.0 |
| United Kingdom | 7.6 | 4.1 | -0.6 | 0.9 | -0.9 | 0.3 | 0.4 | -0.5 | 1.8 |
| Canada | 5.0 | 3.5 | 1.5 | 1.5 | 0.0 | -0.1 | 2.3 | 1.2 | 1.9 |
| Other Advanced Economies 3/ | 5.3 | 2.8 | 2.0 | 2.4 | -0.3 | -0.2 | 1.4 | 2.1 | 2.2 |
| Emerging Market and Developing Economies | 6.7 | 3.9 | 4.0 | 4.2 | 0.3 | -0.1 | 2.5 | 5.0 | 4.1 |
| Emerging and Developing Asia | 7.4 | 4.3 | 5.3 | 5.2 | 0.4 | 0.0 | 3.4 | 6.2 | 4.9 |
| China | 8.4 | 3.0 | 5.2 | 4.5 | 0.8 | 0.0 | 2.9 | 5.9 | 4.1 |
| India 4/ | 8.7 | 6.8 | 6.1 | 6.8 | 0.0 | 0.0 | 4.3 | 7.0 | 7.1 |
| Emerging and Developing Europe | 6.9 | 0.7 | 1.5 | 2.6 | 0.9 | 0.1 | -2.0 | 3.5 | 2.8 |
| Russia | 4.7 | -2.2 | 0.3 | 2.1 | 2.6 | 0.6 | -4.1 | 1.0 | 2.0 |
| Latin America and the Caribbean | 7.0 | 3.9 | 1.8 | 2.1 | 0.1 | -0.3 | 2.6 | 1.9 | 1.9 |
| Brazil | 5.0 | 3.1 | 1.2 | 1.5 | 0.2 | -0.4 | 2.8 | 0.8 | 2.2 |
| Mexico | 4.7 | 3.1 | 1.7 | 1.6 | 0.5 | -0.2 | 3.7 | 1.1 | 1.9 |
| Middle East and Central Asia | 4.5 | 5.3 | 3.2 | 3.7 | -0.4 | 0.2 | ... | ... | ... |
| Saudi Arabia | 3.2 | 8.7 | 2.6 | 3.4 | -1.1 | 0.5 | 4.6 | 2.7 | 3.5 |
| Sub-Saharan Africa | 4.7 | 3.8 | 3.8 | 4.1 | 0.1 | 0.0 | ... | ... | ... |
| Nigeria | 3.6 | 3.0 | 3.2 | 2.9 | 0.2 | 0.0 | 2.6 | 3.1 | 2.9 |
| South Africa | 4.9 | 2.6 | 1.2 | 1.3 | 0.1 | 0.0 | 3.0 | 0.5 | 1.8 |
| <i>Memorandum</i> | | | | | | | | | |
| World Growth Based on Market Exchange Rates | 6.0 | 3.1 | 2.4 | 2.5 | 0.3 | -0.1 | 1.7 | 2.5 | 2.5 |
| European Union | 5.5 | 3.7 | 0.7 | 1.8 | 0.0 | -0.3 | 1.8 | 1.2 | 2.0 |
| ASEAN-5 5/ | 3.8 | 5.2 | 4.3 | 4.7 | -0.2 | -0.2 | 3.7 | 5.7 | 4.0 |
| Middle East and North Africa | 4.1 | 5.4 | 3.2 | 3.5 | -0.4 | 0.2 | ... | ... | ... |
| Emerging Market and Middle-Income Economies | 7.0 | 3.8 | 4.0 | 4.1 | 0.4 | 0.0 | 2.5 | 5.0 | 4.1 |
| Low-Income Developing Countries | 4.1 | 4.9 | 4.9 | 5.6 | 0.0 | 0.1 | ... | ... | ... |
| World Trade Volume (goods and services) 6/ | 10.4 | 5.4 | 2.4 | 3.4 | -0.1 | -0.3 | ... | ... | ... |
| Advanced Economies | 9.4 | 6.6 | 2.3 | 2.7 | 0.0 | -0.4 | ... | ... | ... |
| Emerging Market and Developing Economies | 12.1 | 3.4 | 2.6 | 4.6 | -0.3 | 0.0 | ... | ... | ... |
| Commodity Prices | | | | | | | | | |
| Oil 7/ | 65.8 | 39.8 | -16.2 | -7.1 | -3.3 | -0.9 | 11.2 | -9.8 | -5.9 |
| Nonfuel (average based on world commodity import weights) | 26.4 | 7.0 | -6.3 | -0.4 | -0.1 | 0.3 | -2.0 | 1.4 | -0.2 |
| World Consumer Prices 8/ | 4.7 | 8.8 | 6.6 | 4.3 | 0.1 | 0.2 | 9.2 | 5.0 | 3.5 |
| Advanced Economies 9/ | 3.1 | 7.3 | 4.6 | 2.6 | 0.2 | 0.2 | 7.8 | 3.1 | 2.3 |
| Emerging Market and Developing Economies 8/ | 5.9 | 9.9 | 8.1 | 5.5 | 0.0 | 0.2 | 10.4 | 6.6 | 4.5 |

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during October 26, 2022–November 23, 2022. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

1/ Difference based on rounded figures for the current and October 2022 WEO forecasts. Countries whose forecasts have been updated relative to October 2022 WEO forecasts account for approximately 90 percent of world GDP measured at purchasing-power-parity weights.

2/ For World Output (Emerging Market and Developing Economies), the quarterly estimates and projections account for approximately 90 percent (80 percent) of annual world (emerging market and developing economies) output at purchasing-power-parity weights.

3/ Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

4/ For India, data and projections are presented on a fiscal year basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 5.4 percent in 2023 and 6.8 percent in 2024 based on calendar year.

5/ Indonesia, Malaysia, Philippines, Singapore, Thailand.

6/ Simple average of growth rates for export and import volumes (goods and services).

7/ Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average assumed price of oil in US dollars a barrel, based on futures markets (as of November 29, 2022), is \$81.13 in 2023 and \$75.36 in 2024.

8/ Excludes Venezuela.

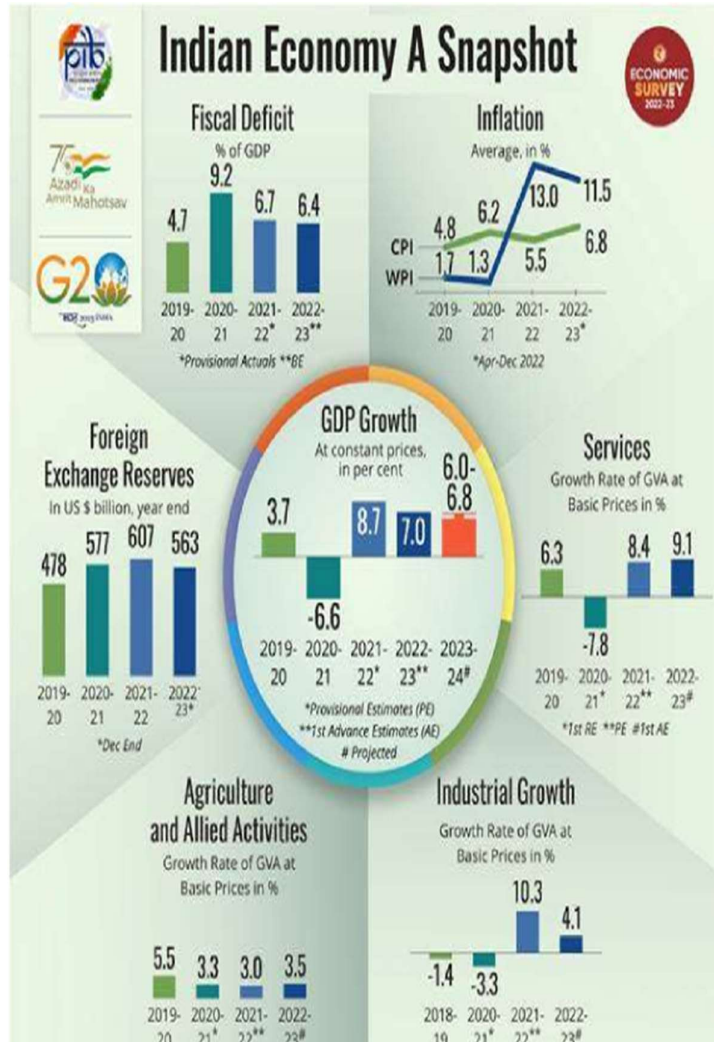
9/ The inflation rate for the Euro area is 5.7% in 2023 and 3.3% in 2024, that for Japan is 2.8% in 2023 and 2.0% in 2024, and that for the United States is 4.0% in 2023 and 2.2% in 2024.

(Source: World Economic Outlook Report by International Monetary Fund, January 2023)

INDIAN ECONOMY OVERVIEW

India to witness GDP growth of 6.0 per cent to 6.8 per cent in 2023-24, depending on the Trajectory of economic and political Developments globally, economic survey 2022-23 projects a baseline GDP growth of 6.5 per cent in real terms in FY-24 economy. Economy is expected to grow at 7 per cent (in real terms) for the year ending march 2023, this follows an 8.7 per cent growth in the previous financial year. Capital expenditure (capex) of the central Government, which increased by 63.4 per cent in the first eight months of FY-23, was another Growth driver of the Indian economy in the Current year.

Surge in growth of exports in FY-22 and the first half of FY-23 induced a shift in the gears of the production processes from mild acceleration to cruise mode. Private consumption as a percentage of GDP stood at 58.4 per cent in Q2 of FY-23, 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. Survey points to the lower forecast for Growth in global trade by the world trade Organization, from 3.5 per cent in 2022 to 1.0 percent in 2023.



The optimistic growth forecasts stem from a number of positives like the rebound of private consumption given a boost to production activity, higher Capital Expenditure (Capex), near-universal vaccination coverage enabling people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, as well as the return of migrant workers to cities to work in construction sites leading to a significant decline in housing market inventory, the strengthening of the balance sheets of the Corporates, a well-capitalised public sector banks ready to increase the credit supply and the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector to name the major ones.

The Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman tabled the Economic Survey 2022-23, which projects a baseline GDP growth of 6.5 per cent in real terms in FY24. The projection is broadly comparable to the estimates provided by multilateral agencies such as the World Bank, the IMF, and the ADB and by RBI, domestically. It says, 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 Gati-Shakti, the National Logistics Policy, and the production linked Incentive schemes to boost manufacturing output. The Survey says, 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. Despite the three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks across economies led by Federal Reserve responding with synchronized policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23.



According to Survey, India's economic growth in FY23 has been principally led by private consumption and capital formation and they have helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Moreover, 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. Still, private capex soon needs to take up the leadership role to put job creation on a fast track.

It also points out that the upside to India's growth outlook arises from (i) limited health and economic fallout for the rest of the world from the current surge in Covid-19 infections in China and, therefore, continued normalization of supply chains; (ii) inflationary impulses from the reopening of China's economy turning out to be neither significant nor persistent; (iii) recessionary tendencies in major Advanced Economies (AEs) triggering a cessation of monetary tightening and a return of capital flows to

India amidst a stable domestic inflation rate below 6 per cent; and (iv) this leading to an improvement in animal spirits and providing further impetus to private sector investment.

The Survey says, 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 "a Credit Linked Guarantee Scheme (ECLGS) of the Union Government. It adds that the recovery of MSMEs is proceeding apace, 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. Apart from this, increase in the overall bank credit has also been influenced by the shift in borrower's

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 FY-24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

Dwelling on halt in construction activities during the Pandemic, the Survey underscores that 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 Survey notes with optimism that Indian economy 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.

It, however, cautions that the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policies rates by the US Fed. The loss of export stimulus is further possible as the wing world growth and trade shrinks the global market size in the second half of the current year.

Therefore, the Global growth has been projected to decline in 2023. 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.

India's Economic Resilience and Growth Drivers

The Survey points out that factors like 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 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 6.5-7.0 percent, 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'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. 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 per cent 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. Moreover, 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 Survey also points to another recovery and adds that the "release of pent-up demand" was reflected in the housing market too as demand for housing loans picked up. Consequently, housing inventories have declined, prices are firming up, and construction of new dwellings is picking up pace and this has stimulated innumerable backward and forward linkages that the construction sector is known to carry. The universalization 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.

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.

Also, 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.

Macroeconomic and Growth Challenges in the Indian Economy

After the impact of the two waves of the pandemic seen in a significant GDP contraction in FY21, the quick recovery from the virus in third wave of Omicron contributed to minimizing the loss of economic output in the January-March quarter of 2022. Consequently, output in FY22 went past its pre-pandemic level in FY20, with the Indian economy staging a full recovery ahead of many nations. However, the conflict in Europe necessitated a revision in expectations for economic growth and inflation in FY23. The country's retail inflation had crept above the RBI's tolerance range in January 2022 and it remained above the target range for ten months before returning to below the upper end of the target range of 6 per cent in November 2022.

It says that the Global commodity prices may have eased but are still higher compared to pre-conflict levels and they have further widened the CAD, already enlarged by India's growth momentum. For FY23, India has sufficient forex reserves to finance the CAD and intervene in the forex market to manage volatility in the Indian rupee.

Dwelling on the Outlook for 2023-24, the Survey says, India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. It says that aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's cautions in capital expenditure, the government raised capital expenditure substantially.

Budgeted capital expenditure rose 2.7 times in the last seven years, from FY16 to FY23, re-invigorating the Capex cycle. Structural reforms such as the introduction of the Goods and Services Tax and the insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance, the Survey added.

Entrenched inflation may prolong the tightening cycle, and therefore, borrowing costs may stay 'higher for longer'. In such a scenario, global economy may be characterized by low growth in FY24. However, the scenario of subdued global growth presents two silver linings — oil prices will stay low, and India's CAD will be better than currently projected. The overall external situation will remain manageable.

(Sources: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1894932>)

With electricity generation (including renewable sources) of 846.18 BU in India between April-September 2022, the country witnessed a growth of 10.67% YoY. According to data from the Ministry of Power, India's power consumption increased 1.64% YoY in October 2022 to 114.64 BU.

The peak power demand in the country stood at 210.79 GW on June 9, 2022.

All India actual PLF of thermal power plants stood at 68.24% in June 2022, compared with 67.92% in May 2022.

(Sources: <https://www.ibef.org/industry/power-sector-india/infographic>).

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Solar Power Industry

Solar power is a fast-developing industry in India. The country's solar installed capacity was 63.303 GWAC as of 31 December 2022. Solar power generation in India ranks fourth globally in 2021.

The Indian Government had an initial target of 20 GW capacity for 2022, which was achieved four years ahead of schedule. In 2015 the target was raised to 100 GW of solar capacity (including 40 GW from rooftop solar) by 2022, targeting an investment of US\$100 billion. India has established nearly 42 solar parks to make land available to the promoters of solar plants.

Rooftop solar power accounts for 2.1 GW in 2018, of which 70% is industrial or commercial. In addition to its large-scale grid-connected solar photovoltaic (PV) initiative, India is developing off-grid solar power for local energy needs. Solar products have increasingly helped to meet rural needs; by the end of 2015 just under one million solar lanterns were sold in the country, reducing the need for kerosene. That year, 118,700 solar home lighting systems were installed and 46,655 solar street lighting installations were provided under a national programme; just over 1.4 million (1.4 million) solar cookers were distributed in India.

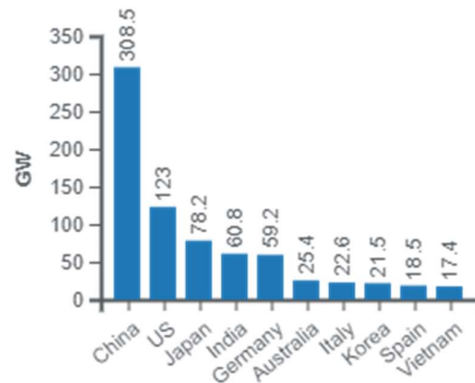


Chart showing Top 10 countries by cumulative solar power installed capacity in 2021.

During 2010–19, the foreign capital invested in India on Solar power projects was nearly 20.7 billion US\$. The International Solar Alliance (ISA), proposed by India as a founder member, is headquartered in India. India has also put forward the concept of "One Sun One World One Grid" and "World Solar Bank" to harness abundant solar power on global scale.

Solar Potential

With about 300 clear and sunny days in a year, the calculated solar energy incidence on India's land area is about 5 quadrillion kilowatt-hours (kWh) per year (or 5 EWh/yr). The solar energy available in a single year exceeds the possible energy output of all of the fossil fuel energy reserves in India. The daily average solar-power-plant generation capacity in India is 0.30 kWh per m² of used land area, equivalent to 1,400–1,800 peak (rated) capacity operating hours in a year with available, commercially-proven technology.

In June 2015, India began a ₹40 crore (US\$5.0 million) project to measure solar radiation with a spatial resolution of 3 by 3 kilometres (1.9 mi × 1.9 mi). This solar-radiation measuring network provides the basis for the Indian solar-radiation atlas. 121 solar radiation resource assessment (SRRA) stations have been installed across India by the National Institute of Wind Energy, Ministry of New and Renewable Energy to create a database of solar-energy potential. Data is collected and reported to the Centre for Wind Energy Technology (C-WET). Among the parameters measured are Global Horizontal Irradiance (GHI), Direct Normal Irradiance (DNI) and Diffuse Horizontal Irradiance (DHI).

Solar-panel manufacturing in India

As of November 2021, manufacturing capacity of solar cells and solar modules in India was 4.3 GW and 18 GW, respectively. Nearly 80 per cent of solar-panel's weight is flat glass. 100–150 tons of flat glass is

used to manufacture a MW of solar panels. Low-iron flat or float glass is manufactured from soda ash and iron-free silica. Soda-ash manufacturing from common salt is an energy-intensive process unless it is extracted from soda lakes or glasswort cultivation in alkali soil. To increase installation of photovoltaic solar-power plants, the production of flat glass and its raw materials must expand commensurately to eliminate supply constraints or future imports.

The Ministry of New and Renewable Energy (MNRE), India, has issued a memorandum to ensure the quality of solar cells and solar modules. Compliance with the requisite specifications will grant manufacturers and their specific products an entry in the ALMM (Approved List of Models and Manufacturers.) Indian manufacturers are gradually enhancing the production capacity of monocrystalline silicon PERC cells to supply better performing and enduring solar cells to local market.

For utility scale solar projects, top solar module suppliers in 2016–17 were: Waaree Energies Ltd., Trina Solar, JA Solar, Canadian Solar, Risen, and Hanwha.

(Source: https://en.wikipedia.org/wiki/Solar_power_in_India)

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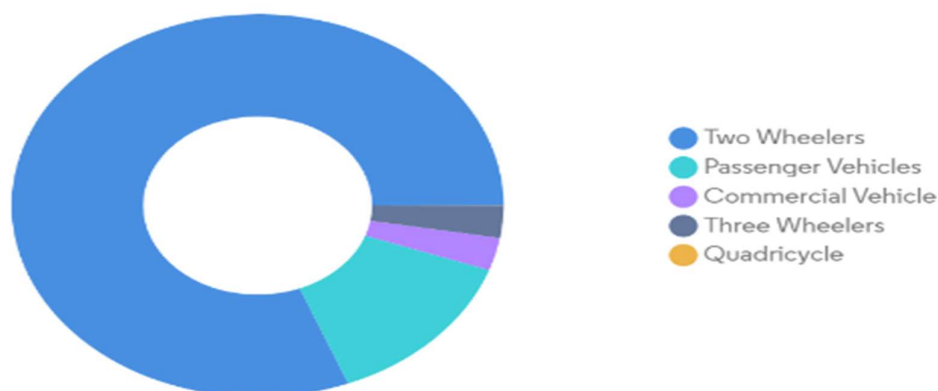
Battery Industry

India is one of the largest automobile markets in the world, and, in 2021, the total passenger vehicles production reached 22,652,108 units. The country produced 624,000 commercial vehicles in FY-2021.

The two-wheeler segment dominates the automotive market owing to a growing middle class and a young population. Organized companies sell branded batteries with warranties, while unorganized companies provide no warranty or after-sales, sell recycled batteries, and offer products at a 30-35% discount to branded ones. The Indian automotive replacement battery market is leading the lead-acid battery market.

The government's efforts to boost automotive battery manufacturing in India will drive the segment's growth. On November 11, 2020, the Indian government announced incentives worth INR 3 trillion (approximately USD 40 billion) to encourage companies in ten sectors to boost local manufacturing and increase exports. The incentive scheme worth INR 180 billion (about USD 2.4 billion) will be directed toward advanced cell chemistry, aimed at bringing at least 50 GW of lithium-ion batteries to be manufactured in India.

Automotive production trends in India, in Units, FY 2020-2021



Increasing Demand for Electric Vehicles (EVs) to Drive the Market

- Electric vehicles (EVs) are expected to play a central role in achieving the UN Sustainable Development Goals. In India, the adoption of EVs is likely to grow significantly with the increasing demand for clean energy sources. The government has plans to achieve a target of 30% electric vehicle adoption by 2030 powered primarily by electrification of two-wheeler, three-wheeler, and commercial vehicles in India.
- In India, more than 3 million fossil fuel-powered passenger vehicles are sold annually, and a few automakers, including Mahindra & Mahindra Ltd, Tata Motors Ltd, and Ashok Leyland Ltd, are making EVs domestically. Overseas companies such as Hyundai Motor Co. and Suzuki Motor Corp. are also entering the new segment as the government plans to have green vehicles comprise about a third of its fleet by 2030.
- The market is likely to be dominated by electric vehicles that are majorly used for passenger carriers. The market for supplying batteries to e-rickshaws and small privately-owned three-wheeler taxis is expected to grow at a compounded rate of about 20% over the next five years.

(Source: <https://www.mordorintelligence.com/industry-reports/india-battery-market>)

Inverter Industry

The India power inverter market attained a value of about USD 4.20 billion in 2021. The market is further estimated to grow in the forecast period of 2023-2028 at a CAGR of 14.6% to reach nearly USD 9.81 billion by 2027.

Growing Demand for Power Inverters in the Residential Sector Aiding the India Market Growth

The growing usage of power inverters in the residential sector is augmenting the market growth in India. With rapid urbanisation and growing disposable incomes, coupled with the rising ownership of consumer electronics such as televisions, smartphones, and refrigerators, among others, the utilisation of power inverters to ensure seamless electricity supply is growing. The growing prevalence of power cuts, especially in rural and semi-urban regions, is boosting the demand for cost-effective power inverters.

Market Segmentation

A power inverter is an electronic device that transforms direct current (DC) into alternative current (AC). It is used to ensure seamless electricity supply to electrical gadgets by using batteries and energy from sources like wind turbines and solar PVs. Power inverters are typically energy-efficient, durable, and ideal for handling high power requirements, due to which they find extensive use in the residential, commercial, and utility sectors.

The major ratings of power inverter are:

- <5KW
- 5kW to 100kW
- 100kW to 500kW
- Above 500kW

With the rising exploration of solar energy as a renewable power source and the expansion of solar plants in India, the demand for power inverters for large-scale solar plants is significantly growing. The introduction of various favourable government initiatives to boost the adoption of solar PVs in the residential, commercial, and industrial sectors are also surging the demand for power inverters.

Increasing Availability of Smart Power Inverters to Drive the Market Growth in India

The growing penetration of smart power inverters that efficiently delivers energy while regulating voltage, withstanding abnormal frequency and voltage, responding to frequency, and changing operations in response to instructions is expected to fuel the market. As distributed and renewable energy sources require advanced power electronics that can offer anti-islanding functionalities, the deployment of smart inverters is likely to surge. With the increasing launches of innovative smart power inverters offering advanced functions such as voltage and frequency regulation, enhanced situational awareness, adaptive protection, advanced system recovery and restoration, and DER reconnect/disconnect, among others, the India power inverter market is poised to witness rapid growth in the forecast period.

With the rising exploration of solar energy as a renewable power source and the expansion of solar plants in India, the demand for power inverters for large-scale solar plants is significantly growing. The introduction of various favourable government initiatives to boost the adoption of solar PVs in the residential, commercial, and industrial sectors are also surging the demand for power inverters. The growth of the power inverter market in India can further be attributed to the rising demand for high-capacity PV modules, the ease of installation offered by innovative power inverters, and the increasing emphasis on reducing the levelised cost of electricity (LCOE). Furthermore, various leading companies are expanding their manufacturing capabilities in response to the “Make in India” scheme, which is expected to boost the accessibility and cost-effectiveness of innovative power inverters in the country in the coming years.

Key Players in the India Market for Power Inverter

The report presents a detailed analysis of the following key players in the India power inverter market, looking into their capacity, market shares, and latest developments like capacity expansions, plant turnarounds, and mergers and acquisitions:

- ABB Ltd.
- Huawei Technologies Co., Ltd.
- Delta Electronics, Inc.
- SMA Solar India Private Limited
- Others.

(Source: <https://www.expertmarketresearch.com/reports/india-power-inverter-market>)

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Electrical Accessories Industry

India electrical materials market was valued at USD 5969.13 Million in FY2020 and is projected to grow at double digit CAGR of 17.88% during the forecast years, to reach USD 9714.33 Million through FY2026. To accommodate the rapidly growing population of India, there has been a significant rise in construction activities, which has been led to a boost in demand for electrical materials market in India. Growing number of commercial spaces and short-term expansion of construction activities driven by fiscal support and government policies is creating a market opportunity for electrical materials manufacturers in India. Innovations in electrical materials by major market player, adapting sustainable technologies is also one of the factors attributing to growth of India electrical market.

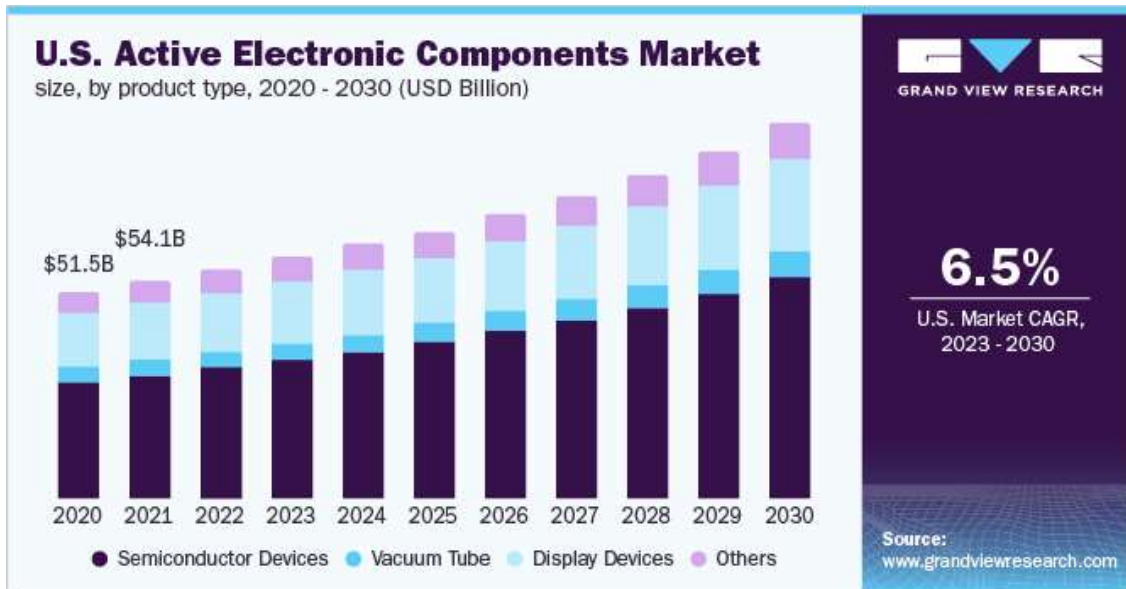
Apart from increasing use in construction sector, electrical materials are witnessing increasing used in various industries such as power plants, refinery cement industry, steel, mining, among others. The Indian government and various state governments seem to be making rapid progress in boosting the country's industrial sector. Over the next 10-15 years, industrialization in India is likely to continue its growth momentum, which is expected to create significant opportunities for electrical materials in the industrial sector.

India electrical materials market is segmented on the basis of type, end user and region. In terms of type, market can be segregated into circuit breakers, light switches, plugs & sockets, voltage switcher, cable management, cable duct, electrical conduit, and others. Among these, cable management is major demand generating segment with share of 25.25% in FY2020. Cable management includes cable trays, cable ladder, and cable baskets and is needed for the management of all electrical cables during installation, contributing for the leading share of the segment.



(Source: [India Electrical Materials Market Size, Share, Growth, Trend & Forecast | TechSci Research](#))

The global active electronic components market size was valued at USD 304.30 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 6.6% from 2023 to 2030. Active electronic components are incorporated into circuits to amplify electrical input signals and generate electricity. These components can act as AC circuits in electronic equipment, increasing power and voltage. All active components require an energy source, usually derived from a DC circuit. Increasing demand for active electronic components in numerous sectors and widespread usage of connected devices are some of the reasons driving this market's growth.



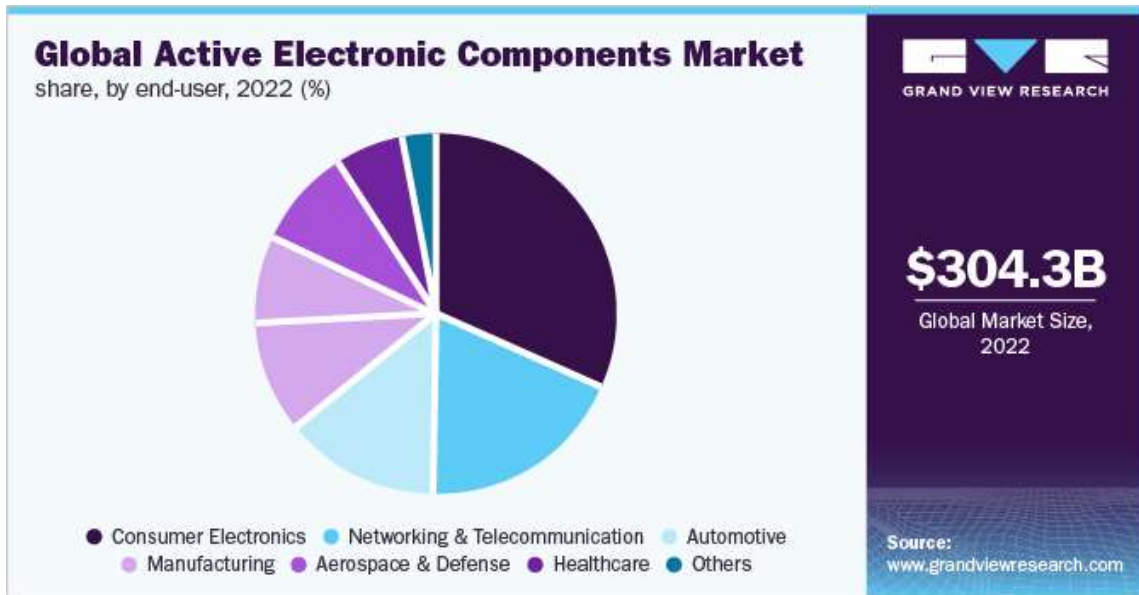
The increasing popularity of smartphones, laptops, and other wearable devices, as well as increased industrial automation, has raised the demand for active electronic components. The global market benefits from increased demand for active electronic components in the healthcare and automotive industries owing to the fast use of MEMS technology. One of the most significant advantages of active electronic components is the ability to manage tiny inputs of electricity to match a greater power output. The most active components are semiconductors such as diodes, transistors, and integrated circuits.

The automotive industry is undergoing fast change, and there is a rising market for electric vehicles, thus increasing global adoption of different autonomous vehicle technologies. Numerous vehicle applications use the above-mentioned technologies, including parking assistance, safety airbags, telematics, and navigation. Additionally, a considerable rise in consumer smartphone use is anticipated to fuel the booming electronic components market's expansion throughout the projected years.

Product Type Insights

The semiconductor segment dominated with a revenue share of 57.5% in 2022 and is also anticipated to witness the fastest CAGR of over 7.0% during the forecast period. ICs, the sub-segment of semiconductor devices, dominated the overall market with a revenue share of 55.3% in 2022 and is also to witness the fastest CAGR of over 8.1% in the forthcoming years. A semiconductor substance exists between the insulator and the conductor, which controls and regulates the current flow in electrical devices and equipment. As a result, it has become an essential component of electronic chips used in computing components and various electronic devices, such as solid-state storage.

An SMD (Surface Mount Device) Electronic Component made of multiple transistors, diodes, resistors, and capacitors in a tiny semiconductor chip are an Integrated Circuit (IC). ICs, or Integrated Circuit Electronic Components, are small and light, providing more significant outcomes while using less power. An Integrated Circuit (IC) is the integration or assimilation of several electronic components (primarily transistors) on a chip (or single device) constructed of semiconductor material. ICs are extensively utilized in various applications such as televisions, mobile phones, laptops, audio players, routers, etc.



(Source: <https://www.grandviewresearch.com/industry-analysis/active-electronic-components-market>)

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OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 23 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 164, 200 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

BACKGROUND OF COMPANY

Our Company was originally incorporated as a private limited Company under the Companies Act, 2013 in the name and style of “Sungarner Energies Private Limited” bearing corporate identification number U74900DL2015PTC279632, dated April 30, 2015 issued by the Registrar of Companies, Delhi. subsequently the Company altered its objects pursuant to a shareholders’ resolution passed at an extraordinary general meeting held on January 31, 2022, and a certificate of confirming alteration of object clause dated February 27, 2020, was issued by Registrar of Companies, Delhi bearing corporate identification number U34100DL2015PTC279632. Subsequently, the name of our company was changed to “Sungarner Energies Limited” pursuant to a shareholders’ resolution passed at an annual general meeting held on September 30, 2022, and a fresh certificate of incorporation dated November 17, 2022 was issued by Registrar of Companies, Delhi bearing corporate identification number U34100DL2015PLC279632.

As on date of this Prospectus the Corporate Identification Number of our Company is U34100DL2015PLC279632.

Mr. Sumit Tiwari is a promoter and managing director of the Company and is first generation entrepreneur with a rich experience of more than 18 years in the various sectors including power sector. In the past, he has been engaged with various companies like Tata BP solar, Emerson Network Power & Delta. He Joined Tata BP Solar in 2010 and worked for green energy solutions. He has successfully established various verticals for organizations i.e., Power Audit for Emerson Network, UPS Systems in IT and Telecom sector, Solar Solutions for Rooftop and Telecom at Tata BP Solar. He has commercial blend and market insights which has enabled Sungarner to build various verticals as strong pillars of organization.

Sungarner Energies Limited was founded and promoted by Mr. Sumit Tiwari in year 2015, with a motive of providing efficient and low-cost power solutions. Our Company is offering a wide range of power solutions such as Solar Power, UPS, Batteries, Inverters and Solar Panels. We provide solutions like design and engineering services in power sector to our customers.

At the start of our Journey “SEL” was a Design Engineering and Solar EPC company and gradually company also diversified into Manufacturing of Power Electronics and Energy Storage Products. Today Sungarner Energies Limited is also into manufacturing of Solar Inverters, Online UPS Systems, EV Chargers, and Lead Acid Batteries. SunGarner has also obtained WMI code for manufacturing of EV Vehicles (although we have only developed prototype only and have not started full scale manufacturing of EV Vehicles). Company recognized the need for a dedicated R&D facility to innovate new product lines and it established a mid-size in-house R&D facility in 2017 and staffed it with experts who will help the Company is Development of efficient power electronic product such as solar inverter, EV Chargers, harmonic filters, BMS system, Lithium Iron batteries.



Further, Research and development activities focus on the innovation of new products or services in a company. Among the primary purposes of R&D activities is for a company to remain competitive as it produces products that advance and elevate its current product line.

This facility helped us adopt Various Advance features e.g., for Solar Inverters the advanced Maximum Power Point Technology “MPPT” - this is a well-known algorithm that helps in extracting maximum available power from a PV module in any given condition. We established our first in-house product unit for Power Products in 2018.

SunGarner Energies Limited produces lead acid batteries of varying capacities in the range from 12 Volts 40 ampere-hour to 12 volts 300 ampere-hours. Today SunGarner Products are available through its Distributors in to be successful in Lead acid batteries business apart from quality product distribution & Brand recognition is the backbone for growth in revenue. We have already established distribution network in some of the key markets like Haryana, UP, Bihar, Rajasthan, and Assam. SunGarner Today has 6 (six) service Centres in India - Delhi, UP Haryana, Bihar Assam, Bengal. SunGarner is in the process in expanding its footprint further by appointing additional 500 Franchisee to cover all major Districts of India by end of 2025. Also, SunGarner has also started exports in last 2 years and has exported its products to Nigeria, Lebanon, Nepal, Dubai and Bhutan.

SunGarner Solar EPC Division has till date commissioned more than 50 (fifty) large Solar Projects in last 8 years. Some of the prestigious projects that we have commissioned are for customers like Interglobe Enterprises, DLF, Jubilant Life Sciences, Eli Lilly, Modi Xerox, V N Dyers and Textiles, The ITC Hotels Delhi, The India Thermit Nagpur, Sarovar Portico Lucknow, Satyam Hospital Ludhiana, Dayawati Modi School Rampur to name a few. Further, we have also forayed into international projects by installing the largest solar power project in Bhutan in 2021.

We are also an integrated solar energy solutions provider offering engineering, procurement and construction (“EPC”) services to our customers. We strive to deliver reliable solar solutions through innovative products, and we achieve this majorly through our specialized high efficiency PV module manufacturing line and comprehensive EPC solutions.

We actively pursue environmental, social and governance initiatives as part of our business operations. Our business is environmentally focused, and we strive towards facilitating a cleaner environment and reduced carbon emissions through the use of our solar PV modules, as well as our EPC contracts, for solar power generation, which is an environment friendly method of power generation.

Our company caters to engineering projects and products to its various clients in India & overseas. we focus on reliable, efficient & lowest cost of energy solutions. Our services include design, engineering & implementation of solar Off Grid and On Grid Power Plants. Our in-house R&D has enabled us to develop application centric products.

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Our in-house R&D and manufacturing makes us one of the power solution providers of Pure Sine Wave Solar Online UPS, Solar MPPT PCU & Batteries. Our Company adheres to some of the industry's best quality product accreditations. Our Company has obtained certifications such as ISO 9001:2015, ISO 14001:2015, ISO 45001 etc.

After deepening our roots in Indian market with our expert range of products and exemplary services, we are further in progression of marking our presence global. SunGarner has spread its wings in the international arena too. We have done considerable business in foreign countries such as Dubai, Lebanon, Nepal, and Nigeria.

OUR COMPANY VISION AND MISSION

| Vision: | Mission: |
|--|---|
| <p>To become a Premier engineering organization and a leader for all power requirements globally offering power generation and energy conservation solutions under one roof with cutting edge technology. Every team member will encourage, challenge constructively and support each other to achieve our Vision.</p> | <p>Our Mission is to add value to our customers with cost effective, energy efficient, innovative, and reliable power backup. We also add on power conditioning products, services and solutions.</p> |

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OUR MAJOR PROJECTS



Our company has been engaged in the various projects with customized solutions for the energy needs of a wide variety of Industrial, Commercial and Residential establishment in several areas.

Some of these projects are:

| | |
|---|--|
|  |  |
| <p>Project “India Thermit Corporation LTD” Maharashtra, 50 kwp</p> | <p>Project “Rubessa” Bhutan</p> |
|  |  |
| <p>Project “Modi Group” Rampur (U.P.)</p> | <p>Project “Palcero International Pvt Ltd” Haryana, 300 KW</p> |
|  |  |
| <p>Project “V N Dyers & Processors” Gorakhpur, 1.2 MW</p> | <p>Project “Applies Solar Technology (Jubliant Site)” Greater Noida, 60kw</p> |

OUR PRODUCTS

| | |
|---|--|
|  <p>A white, rectangular solar inverter with a digital display and the SunGarner logo. It has ventilation grilles at the bottom and is mounted on small blue wheels.</p> | <p style="text-align: center;"><u>Solar Invertors</u></p> <p>It's a device that converts direct current (DC) electricity, which is what a solar panel generates, to alternating current (AC) electricity, which the electrical grid uses.</p> <ul style="list-style-type: none"> ➤ <u>MPPT:</u> <ul style="list-style-type: none"> • Sun Bee L (1-5 KVA) • Sun Bee H (6-10 KVA) • Sun Bee H+ (10-15 KVA) ➤ <u>PWM:</u> <ul style="list-style-type: none"> • Sun Glare |
|  <p>Two blue solar panels mounted on a metal frame, tilted at an angle to capture sunlight. The panels are connected by a network of silver lines.</p> | <p style="text-align: center;"><u>Rooftops</u></p> <p>Solar rooftop are solar panels placed on top of roofs of commercial, institutional or residential buildings. They capture the light energy emitted by the sun and convert it into electrical energy. This setup is also known as solar rooftop photo-voltaic system. It produces a clean, Eco friendly form of energy, meaning that it is which does not produce any type of pollution or harmful gases.</p> <ul style="list-style-type: none"> ➤ <u>Solar Grid Tied</u> ➤ <u>Solar Off Grid</u> |
|  <p>A large blue and yellow inverter battery with the 'VAULT' brand name and 'DEEP CYCLE' label. It features a digital display and various safety icons.</p> | <p style="text-align: center;"><u>Inverter Batteries</u></p> <p>An inverter battery is designed to provide a small amount of current for a longer duration of time. All the power backup solutions, like inverters, and UPS operate by converting the DC current into AC current as all of our electrical appliances run on AC power.</p> <ul style="list-style-type: none"> ➤ <u>Inverter Tall Tabular (12V 150 ~ 300Ah)</u> ➤ <u>Solar Tall Tabular (12V 40 ~ 270Ah)</u> |

| | |
|--|--|
|  | <p style="text-align: center;"><u>Online UPS</u></p> <p>Online UPS systems provide uninterrupted power to critical loads that require the highest level of protection. They are commonly used in telecommunication, hospitals, and certain commercial or industrial facilities.</p> <p>The required level of protection is achieved through double conversion. Double conversion means that the power is converted twice: in normal operation, a rectifier converts the input power from AC to DC and feeds it to an output inverter. The output inverter then converts the power back to AC.</p> <ul style="list-style-type: none"> ➤ <u>Power Macs L</u> ➤ <u>Power Macs H</u> ➤ <u>Lotus</u> |
|  | <p style="text-align: center;"><u>PV Module</u></p> <p>A solar module is normally series connected sufficient number of solar cells to provide required standard output voltage and power.</p> <ul style="list-style-type: none"> ➤ <u>Polycrystalline (70 ~ 390W)</u> ➤ <u>Monocrystalline (450W & above)</u> |

OUR COMPETITIVE STRENGTH

Our Company's Strengths are:

Experienced Management Team

Our management team includes professionals with experience in the Solar Power Industry and Battery industry as well as finance and marketing functions. Our Promoter Sumit Tiwari brings his entrepreneurial vision and leadership which has been instrumental in growing and sustaining our business operations. We believe that our management team is growth oriented and has ability to manage growth in rapidly changing business environment and delivery of high-quality materials at sustainable cost. For details regarding the education and experience of our promoter, please refer to chapter titled "***Our Management***" beginning on page no. 139 of the Prospectus.

Quality Assurance and Standards

Our Company believes in the quality in our process and products. We are committed to deliver the good quality product in proper manner at all steps from manufacturing to dispatch. Our dedicated internal quality control team ensures the compliance with good standard practices. We give prime focus to providing quality

material to our customers and follows high quality standards.

Cordial Relationships with our Suppliers

We have cordial relationship with our suppliers for supply of materials, which we believe provides us with the competitive advantage of effective and timely sourcing of raw materials. We also believe effective sourcing of materials ensures timely delivery of our products to our customers, thereby enhancing the value provided to our customers.

OUR STRATEGIES

Improving operational efficiencies

We make continuous efforts to improve efficiencies to achieve cost reductions so that we can be competitive in market. We believe that we can achieve the same by gaining economies of scale in our operations and continuous research and development. Our operations team including senior management adopts good practices in line with industry standards across our product facilities.

Expand geographical reach

We seek to expand and enhance our presence in our existing business segments by identifying markets where we can provide cost-effective and quality products to prospective consumers. We seek to capitalize on our existing experience, established contacts with suppliers and entering in the new products market considering the local working conditions.

Strengthening our brand

We intend to invest in developing and enhancing recognition of our brand through brand building efforts, communication and promotional initiatives such as participation in industry events, public relations and investor relations efforts. This will help us to maintain and improve our reach. We believe that our branding exercise will enhance the recall value and trust in the minds of our customers and will help in increasing demand for our products.

Training our employees

We believe that the successful implementation of our business and growth strategies depends on our employees' commitment to our vision. We also believe that to sustain our future growth, we need to continue to train and empower our employees. As we expand our business into other geographical region, our ability to successfully train our existing and new employees will play a crucial role.

To build-up a professional organization

We believe in transparency, commitment and coordination in our work, with our suppliers and customers. We have a blend of experienced and sufficient staff for taking care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business. We wish to make it sounder and stronger in times to come.

Future Business Plan

SEL is now working to expand its retail and export business in 8 States and 7 Countries in next financial year. SEL is continuously focusing to R &D to provide efficient and latest technology products to its Retail and B2B Customers, e.g., Lithium-Ion batteries, EV Chargers, Solar Air Conditioners etc.

SEL is poised to have 500 domestic and 20 international distributors in India by 2026. SEL is launching its online

and offline SelTrik store for all its products, enabling digital platform to support our physical franchises that will play key role.

The scope of the electric vehicle market is multidimensional, involving wide array of stakeholders. Automotive market is fifth largest market in the world and is expected to be the Third largest market. According to Times of India, over 3,30,000 electric vehicle units were sold in 2021, registering a growth of 168 percent over 2020.

(Source: <https://timesofindia.indiatimes.com/auto/policy-and-industry/electric-vehicle-industry-in-india-current-state-govt-policies-future-outlook/articleshow/93611752.cms>)

According to the IBEF report, the electric vehicle (EV) market is estimated to reach Rs. 50,000 crore (US\$ 7.09 billion) in India by 2025. A study by CEEW Centre for Energy Finance recognised a US\$ 206 billion opportunity for electric vehicles in India by 2030. This will necessitate a US\$ 180 billion investment in vehicle manufacturing and charging infrastructure.

According to NITI Aayog and the Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) by 2030. A report by the India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, projection for the EV battery market is expected to expand at a CAGR of 30% during the same period.

(Source: <https://www.ibef.org/industry/india-automobiles>)

Our company has also obtained World Manufacturer Identifier Number (WMI), which is required to be obtain by the Automotive manufacturers. This number uniquely identifies the manufacturer of the vehicle.

Our company proposed to engage in the manufacturing and/or assembly of electric two wheelers, three wheelers, four wheelers vehicles, buses and trucks and other activities related to manufacturing and/or assembly of electric vehicles.

| SWOT ANALYSIS | |
|--|--|
| STRENGTHS | WEAKNESS |
| <ul style="list-style-type: none"> Established operations and proven track record Experienced Management Team Quality Assurance and Standards Established infrastructure | <ul style="list-style-type: none"> High working capital requirements Heavy dependence on suppliers Public sector players are only into generation of power |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> Development of Infrastructure will result in rise in demand Opportunities in Indian Market Expanding new geographical area Vide array of stakeholders | <ul style="list-style-type: none"> Disruption of business due to Covid-19 pandemic High level competition Change in Government Policies No entry barriers for new entrants (Competitors) |

SALES AND MARKETING STRATERGY

Sales and marketing for our products is dependent on our long-term relationships with our customers in certain product categories and dealer network in certain categories. We have a marketing and business development team, comprising of full time employees, who are responsible for marketing and selling our products. Our sales teams are responsible for growing our relationships with our key customers and

developing strategies to ensure that we are developing the right products in line with the market trends and our business strategy. We participate in exhibitions and fairs which gives us a platform to exhibit our products in the market and gives boost to our Company as whole.

We are also in the process of developing Ecommerce website to increase our reach and enhance sales of products like battery, solar inverter, solar panels etc.

COLLABORATIONS

Except as disclosed in this Prospectus and in our normal course of business, we do not have any collaboration as on date

EXPORT OBLIGATION

Our Company does not have any export obligations, as on date of this Prospectus

RAW MATERIAL AND COMPONENTS

The following is the list of raw materials used by our Company:

1. Aluminium components
2. Brass components
3. Steel components
4. Plastic granules and plastic components
5. Bare Printed Circuit Boards
6. Semi-conductor components
7. Pressure die casting components, etc.

The raw material used in the manufacturing of products are procured from pan India across different states Delhi, Uttar Pradesh etc. We procure raw material after considering the quotation received from every vendor.

Further, we also verify the quality of raw material to be used in the manufacturing of our products. Further some components and Raw material are imported from Germany, US, China and Taiwan and which is purchased by the Company through agents in the India. Following is the list of components which is available domestically and which was imported in India.

| RAW MATERIAL | | |
|---------------------|--------------------|---------------|
| S.No. | Particulars | Status |
| 1 | BARE PCB | Imported |
| 2 | CAPACITOR | Imported |
| 3 | CONTACTOR | Imported |
| 4 | DIODE | Imported |
| 5 | FAN | Imported |
| 6 | FUSE | Imported |
| 7 | IC | Imported |
| 8 | IGBT | Imported |
| 9 | LCD | Imported |

| | | |
|-----|--|----------|
| 10 | LED | Imported |
| 11 | MOSFET | Imported |
| 12 | RESISTANCE | Imported |
| 13 | SCR | Imported |
| 14 | TRANSISTOR | Imported |
| 15 | ZENER DIODE | Imported |
| 16 | BRIDGE RECTIFIER | Domestic |
| 17 | CABINET | Domestic |
| 18 | CABLE | Domestic |
| 19 | CABLE TIE | Domestic |
| 20 | CHOKE | Domestic |
| 21 | CONNECTOR | Domestic |
| 22 | CORRUGATED BOX | Domestic |
| 23 | CT | Domestic |
| 24 | HARDWARES - NUT BOLT WASHER THIMBLE | Domestic |
| 25 | HEAT SHINK SLEEVE | Domestic |
| 26 | HEAT SINK | Domestic |
| 27 | IC BASE | Domestic |
| 28 | MAGNETIC | Domestic |
| 29 | MANUFACTURING - TRANSFORMER & CHOKE | Domestic |
| 30 | MCB | Domestic |
| 31 | PACKAGING | Domestic |
| 32 | SHUNT | Domestic |
| 33 | SOCKET | Domestic |
| 34 | SWITCH | Domestic |
| 35 | TERMINAL BLOCK | Domestic |
| x36 | TRANSFORMER | Domestic |
| 37 | WIRE HARNESS | Domestic |

PLACE OF BUSINESS OF THE COMPANY

The Company is prominent manufacturer & supplier of Solar Power, UPS, Batteries, Inverters, and Electric Vehicle (EV) products from our registered office and warehouses. Details of which are as following:

| Sr. No. | Particulars | Address |
|---------|----------------------------|--|
| 1. | Registered Office | 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi-110032, India |
| 2. | Corporate office/ Plant | Plot No. 113, Udyog Kendra-II, Sector Ecotech-III, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh- 201306 |

Note: For detailed information of above-mentioned places of business please refer “Land & Properties” in section “Our Business” on page no. 103 of this Prospectus.

PLANT & MACHINERY

To maintain quality of our product, we have installed quality machinery at our plant site. We have a range of machines for the manufacturing process. The details of machines are as follows:

| Sr. No. | Description | Quantity |
|---------|------------------------------|----------|
| 1. | Hand Drill AC Machine | 3 |
| 2. | Hand Drill DC Machine | 2 |
| 3. | Digital Multimeter | 11 |
| 4. | Soldering Iron Station | 8 |
| 5. | Clamp Meter | 1 |
| 6. | Trolley | 14 |
| 7. | Battery | 22 |
| 8. | Stacker | 1 |
| 9. | DG Set | 1 |
| 10. | Grid Mold | 1 |
| 11. | Clamp Meter | 10 |
| 12. | Digital Vernier Caliper | 2 |
| 13. | Jig Box with Com Dam | 1 |
| 14. | Oscilloscope 4 Chanal | 1 |
| 15. | Oscilloscope 2 Chanal | 3 |
| 16. | Soldering Iron SMD Station | 4 |
| 17. | Pneumatic Cylinder | 2 |
| 18. | Solar System | 1 |
| 19. | Crimping Tools | 1 |
| 20. | Drill Machine | 1 |
| 21. | Semi Auto Stamping Machine | 1 |
| 22. | Coil winding machine | 1 |
| 23. | Winding machine reel carrier | 1 |
| 24. | Infra-red thermometer | 2 |
| 25. | Heat converter - Usha make | 2 |
| 26. | Drawer (bin) | 100 |
| 27. | Variable transformer | 1 |
| 28. | Other Tools & Spares | - |
| 29. | Other Plant & Machinery | - |

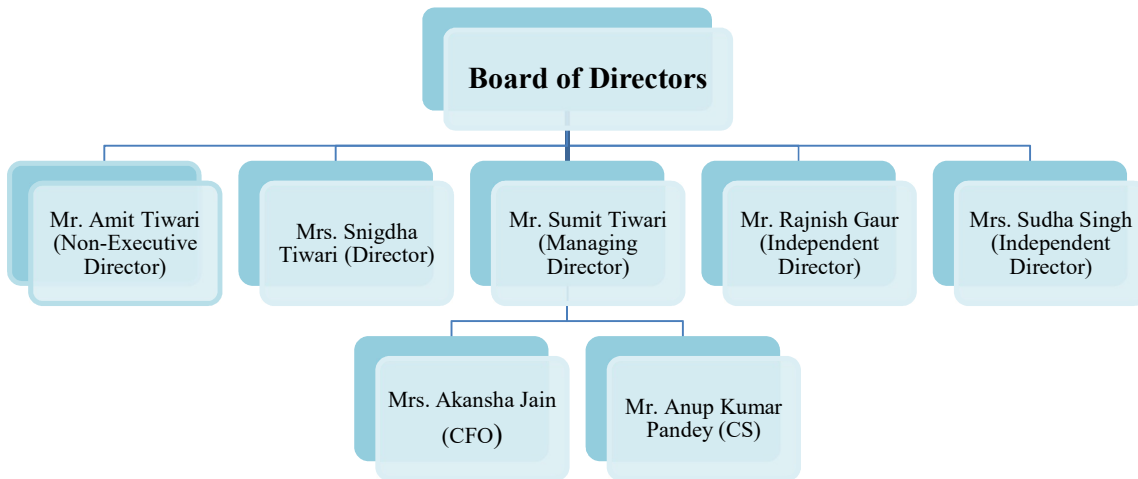
CLIENTELE

Our clients include:

1. Devyani Food Industries Limited
2. Shapoorji Pallonji Group
3. Applied Solar Tech Private Limited
4. ITC Hotels
5. V.N. Dyers & Processors Pvt. Ltd.

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ORGANIZATIONAL STRUCTURE



CAPACITY UTILISATION

| Products | Unit | Particulars | For the period ended 31 st March, 2023 | For the period ended 31 st March, 2022 | For the period ended 31 st March, 2021 |
|---|-----------------|--------------------|---|---|---|
| Solar and Non-Solar Inverter Commercial and Industrial > 2.5kVA | No. | Installed Capacity | 8,250 | 3,500 | 2,400 |
| | | Actual Production | 4,500 | 2,000 | 1,600 |
| | | % | 54.55 | 57.14 | 66.67 |
| Residential Inverters (Solar and Non-Solar) <2.5kVA | No. | Installed Capacity | 22,500 | 3,000 | - |
| | | Actual Production | 5,000 | 400 | - |
| | | % | 22.22 | 13.33 | - |
| Solar Industrial Rooftops | Megawatt – Peak | Installed Capacity | 7.5 | 4 | 3 |
| | | Actual Production | 2.0 | 1 | 1 |
| | | % | 26.66 | 25.00 | 33.33 |
| Solar & Inverter Batteries | No. | Installed Capacity | 36,000 | 24,000 | - |
| | | Actual Production | 16,000 | 5,000 | - |
| | | % | 44.44 | 20.83 | - |
| Online UPS | No. | Installed Capacity | 150 | 100 | - |
| | | Actual Production | 50 | 30 | - |
| | | % | 33.33 | 30.00 | - |

OUR PROCESS FLOW

Company has done trading of 2 products i.e. Solar Panel and Inverter Batteries. Company has followed the following process for the orders.

Sales team received the order from customer and share the order at head office. After receiving the order by the head office, they check the margin as per our commercial price list. If it's approved then handover to PPC (production planning and control).

PPC discusses with operation team Production, SCM (Supply Chain Management) & QA (Quality Assurance) for processing the order

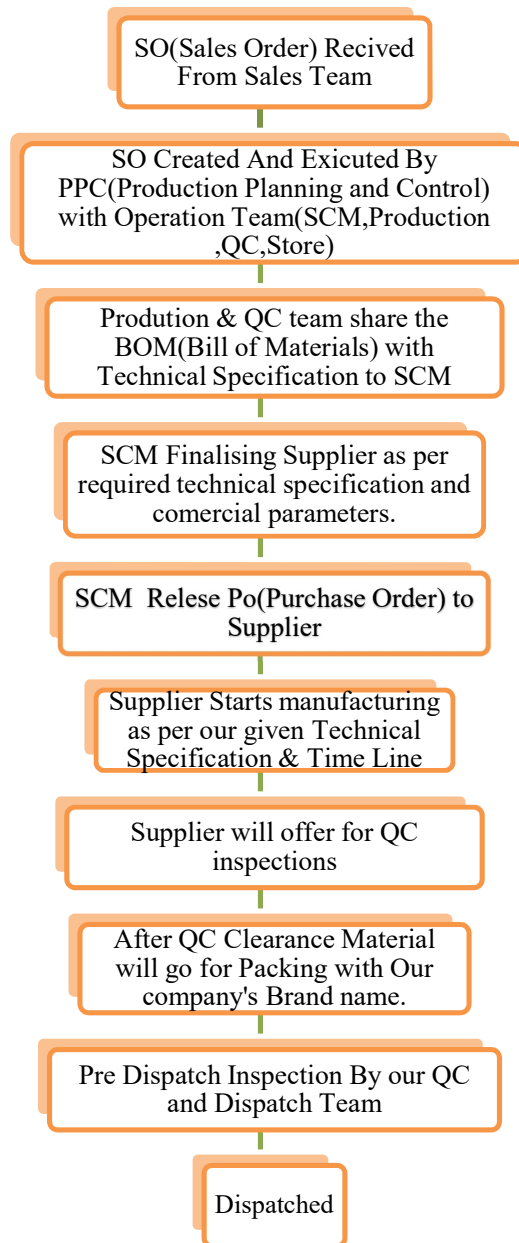
Technical specification of Battery Packing Box & its accessories is provided by Sales Team and whetted by Product manager – Storage. SCM start Finalising Supplier as per required technical specification and commercial parameters. SCM Release PO (Purchase Order) to Supplier.

Supplier Starts manufacturing as per our given Technical Specification & Timeline. Supplier will offer for QC inspections. After QA Clearance Material will go for Packing with Our Brand. Pre-Dispatch Inspection by our QA and Dispatch Team.

After clear from QA & dispatch team logistic team arrange the transport as per requirements then finance bill to client for dispatch.

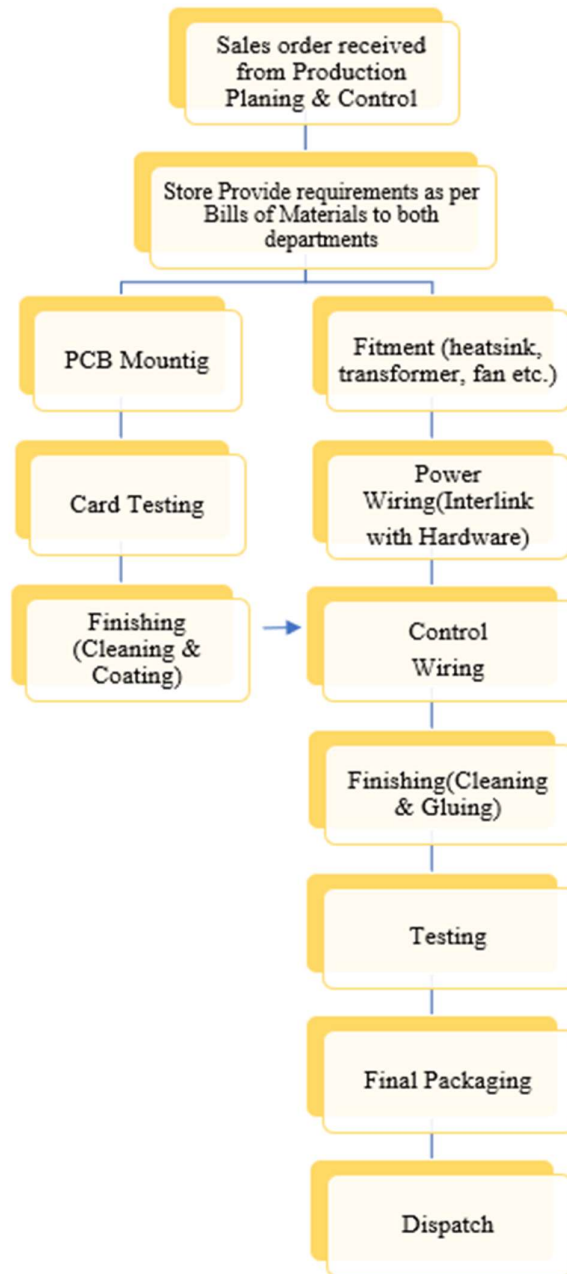
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FLOWCHART OF TRADING BUSINESS



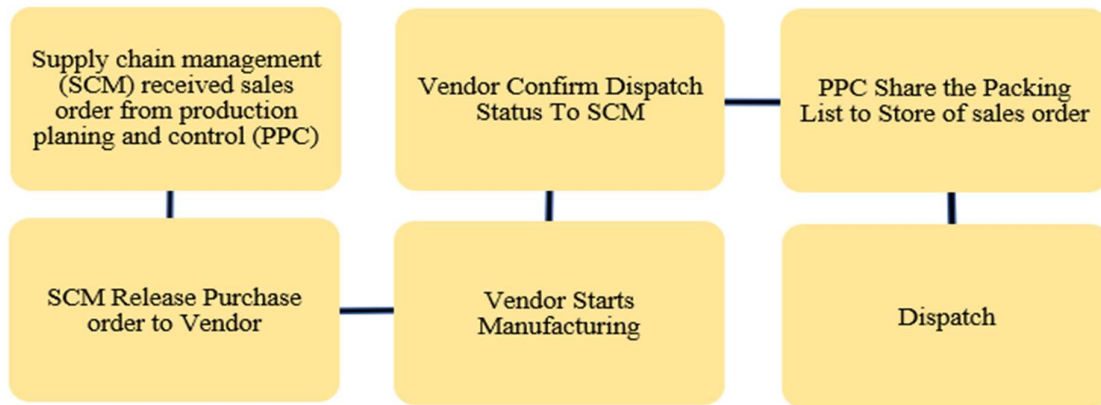
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**Solar and Non-Solar Inverter Commercial and Industrial (> 2.5kVA)
And Residual Inverter (Upto < 2.5KVA)**

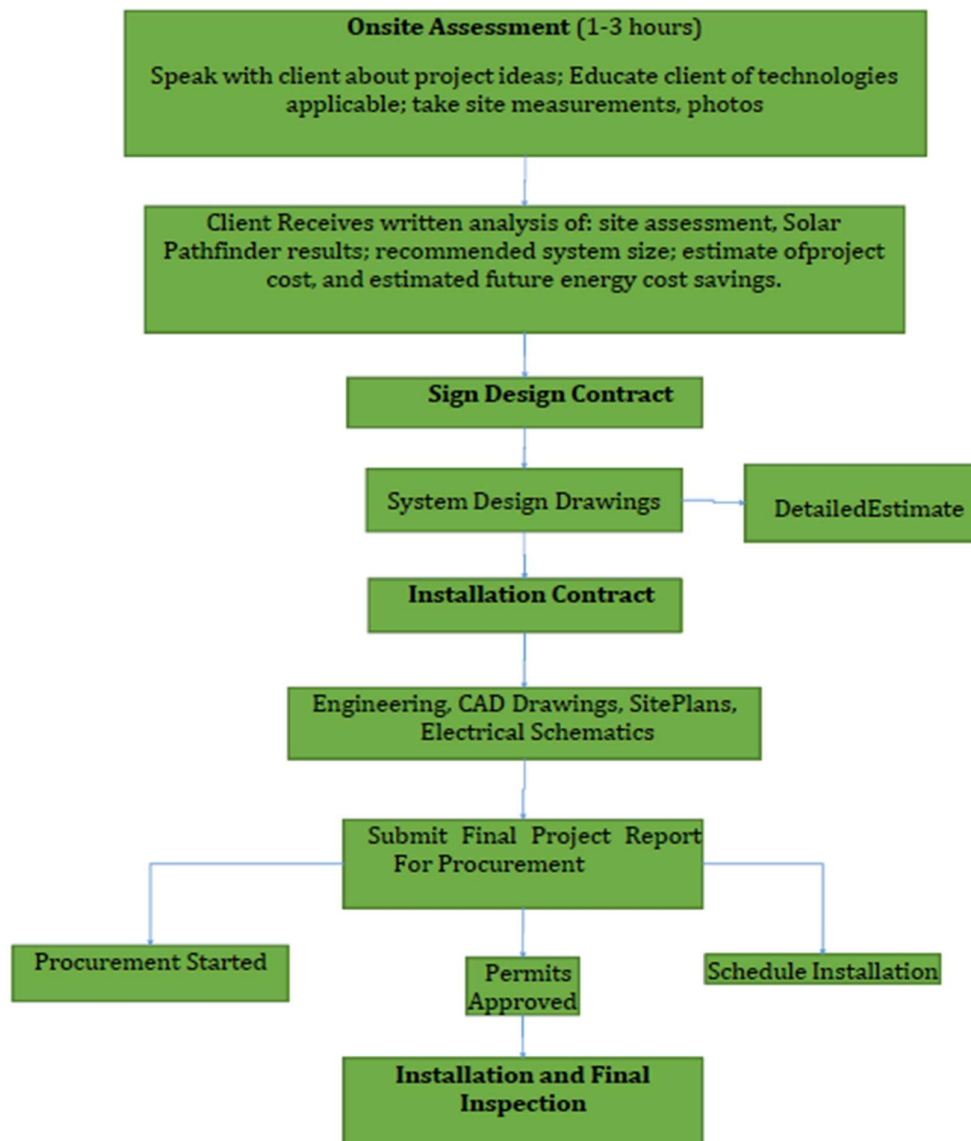


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Solar and Inverter Batteries



Solar Power Plant EPC (Engineering, Procurement and Construction) Flow Chart



UTILITIES & INFRASTRUCTURE FACILITIES

Power

Our Company requires power for the normal requirement of our registered office and corporate office/plant for lighting, Computer systems etc.

Power supplies for our registered office is met through the electric supply by the BSES Yamuna Power Limited. Further, adequate power is available at plant situated at Plot No. 113, Udyog Kendra-II, Sector Ecotech-III, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh- 201306 which is met through the electric supply by the (NPCL) Noida Power Company Limited. Also, we have inverter & generator facility at all of our offices.

Water

Our Business does not have major water requirements. Water required for human consumption and other purposes is fully met at the existing premises by internal supply & also with private supply.

HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently we have 54 full time employees as on August 01, 2023. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

DEPARTMENT WISE BREAK-UP

| S. No. | Particulars | No. of Employees |
|--------|----------------------------|------------------|
| 1. | Finance & Accounts | 04 |
| 2. | Sales & Marketing | 10 |
| 3. | Supply Chain Management | 02 |
| 4. | Administration & HR | 04 |
| 5. | Research & Development | 03 |
| 6. | Quality Check | 05 |
| 7. | Management | 05 |
| 8. | Operation & Production | 11 |
| 9. | Project & Customer Support | 10 |
| | TOTAL | 54 |

FINANCIAL ACHIEVEMENTS OF THE COMPANY

(Amount in Lakhs)

| Particulars | For the period ended 31 st March, 2023 | For the period ended 31 st March, 2022 | For the period ended 31 st March, 2021 |
|--------------------|--|--|--|
| Share Capital | 167.88 | 46.50 | 46.50 |
| Reserves & Surplus | 152.67 | 109.73 | 52.23 |
| Net Worth | 320.54 | 156.23 | 98.73 |
| Total Income | 1765.33 | 797.66 | 536.43 |
| PAT | 74.31 | 57.50 | 15.72 |

GEOGRAPHICAL WISE REVENUE BREAKUP

The Geographical Wise Revenue Breakup of the company are as follows:

(Amount in Lakhs)

| State Name | For the period ended 31st March, 2023 | For the period ended 31st March, 2022 | For the period ended 31st March, 2021 |
|--------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Domestic sales | | | |
| Andhra Pradesh | 141.42 | - | - |
| Assam | 121.88 | 93.55 | 88.80 |
| Bihar | 88.75 | 103.66 | 51.35 |
| Chandigarh | - | 0.42 | - |
| Delhi | 27.72 | 50.20 | 4.12 |
| Haryana | 370.58 | 95.21 | 60.36 |
| Jammu & Kashmir | - | 0.41 | - |
| Jharkhand | 0.44 | 0.41 | - |
| Madhya Pradesh | - | 0.20 | 0.88 |
| Maharashtra | - | 20.85 | - |
| Odisha | 0.65 | - | - |
| Punjab | 0.79 | 0.62 | - |
| Rajasthan | 5.45 | 10.14 | 9.19 |
| Tamil Nadu | - | 1.62 | - |
| Uttar Pradesh | 701.38 | 368.42 | 255.32 |
| Uttarakhand | 83.37 | 6.20 | 19.20 |
| West Bengal | 9.78 | 0.01 | - |
| Total (A) | 1552.20 | 751.92 | 489.22 |
| Export | | | |
| Afghanistan | 39.95 | - | - |
| Bhutan | 7.67 | 45.70 | 47.21 |
| Dubai | 0.66 | - | - |
| Lebanon | 92.81 | - | - |
| Nepal | 17.20 | - | - |
| Nigeria | 54.83 | - | - |
| Total (B) | 213.12 | - | - |
| Grand Total (A+B) | 1765.33 | 797.62 | 536.43 |

PRODUCT WISE REVENUE BREAKUP

The product wise revenue breakup of the Company are as follows:

(Amount in Lakhs)

| Product | For the period ended 31st March, 2023 | For the period ended 31st March, 2022 | For the period ended 31st March, 2021 |
|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Manufacturing * | | | |
| Solar Inverter | 805.92 | 451.80 | 340.09 |
| Trading** | | | |
| Solar Panel | 48.37 | 10.05 | - |
| Inverter Batteries | 297.92 | 80.77 | 0.94 |

| Services*** | | | |
|-------------------------------|---------|--------|--------|
| Operation & Maintenance | 63.52 | 2.17 | 10.80 |
| Solar Power Plant | 309.69 | 66.42 | 124.67 |
| Solar Power Generation System | 142.35 | 125.26 | 54.71 |
| Technical Services | 92.39 | 61.13 | 5.22 |
| Total | 1760.16 | 797.60 | 536.43 |

***“Manufacturing”** includes revenue from sale of solar inverter and Inverter batteries, which is processed and manufactured at our plant.

****“Trading”** includes revenue from sale of ready- made Solar Panels which is directly procured from other manufacturer. It does not involve any processing at our plant.

***“Services”** includes revenue from EPC services such as solar power plant projects, solar power generation and other technical services and operation and maintenance thereof.

COMPETITION

We operate in the highly competitive industry. We face tough competition in our business from a large number of unorganized and a few organized players. There are no entry barriers in our industry which puts us to the threat of competition from new entrants. Our aim is to provide the branded, standardized and uniform quality products at competitive prices to our consumers. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer broader range of products.

We believe that the principal factors affecting competition in our business include relative quality, client relationships, reputation, the abilities of employees, market focus, timely delivery and price of the services and products. We believe that our cost effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in our business.

Our major Competitors:

- Luminous,
- V guard
- Exide
- Insolation Energy Limited,
- Servotech Power Systems Limited,
- Waaree Energies Ltd. Etc.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards.

Our Company has taken following insurance policies against any damage or loss:

| S. No. | Insurer | Description of Property Insured |
|--------|---|---|
| 1. | TATA AIG General Insurance Company Ltd. | General Insurance for all new Solar Inverter, Solar Battery, Lead Acid Batteries, Solar Charge Controller, Steel Structure, Solar Pannels, Electrical & Electronics Goods and similar items pertaining to insureds trade. |


| | | |
|----|---|---|
| | | Insured till 04/08/2023. |
| 2. | Bajaj Allianz General Insurance Company Ltd. | General Insurance for Computer and accessories, Furniture, Fitting and Fixtures, Plant and Machinery and Stock in trade. Insured till 07/09/2023. |
| 3. | ICICI Lombard General Insurance Company Limited | Group Health (Floater) Insurance for the Employees for indemnification of medical expenses incurred during day care treatment, hospitalization, domiciliary hospitalization, for any illness or injury suffered during the Policy Period. Insured till 28/12/2023. |
| 4. | TATA AIG General Insurance Company Ltd. | Marine cargo open policy for all new Solar Inverter, Solar Battery, Lead Acid Batteries, Solar Charge Controller, Steel Structure, Solar Pannels, Electrical & Electronics Goods and similar items pertaining to insureds trade. Insured till 04/08/2023. |

LAND & PROPERTIES

| S. No. | Address | Area | Owned/Leased | Usage |
|--------|--|-----------------|--------------|-------------------------|
| 1. | 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India | 51.83 Sq. Mtr. | Rented | Registered Office |
| 2. | Plot No. 113, Udyog Kendra-II, Sector Ecotech-III, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh- 201306 | 451.20 Sq. Mtr. | Owned | Corporate Office/ Plant |

INTELLECTUAL PROPERTY

As on the date of the Prospectus, following are the trademarks in the name of the company registered or objected under Trade Mark Act 1999:

| Trademark/Wordmark | Date of application | Application number | Class | Current Status |
|---|---------------------|--------------------|-------|----------------|
|  | 28/12/2018 | 4040222 | 9 | Registered |
| SUN BEE | 05/08/2022 | 5559019 | 9 | Registered |
| Vault Daudegi Zindagi | 05/08/2022 | 5559018 | 9 | Objected |

| Domain name and ID | Sponsoring Registrar | Creation Date | Registry Expiry Date | Current Status |
|--|----------------------|-------------------|----------------------|----------------|
| www.sungarner.com | GoDaddy.com, LLC | December 08, 2014 | December 08, 2024 | Registered |

KEY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

The statements below are based on 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.

RELATED TO OUR BUSINESS

ELECTRICITY ACT, 2003 (“ELECTRICITY ACT”)

The Electricity Act is the central legislation which covers, among others, generation, transmission, distribution, trading and use of electricity. Under the Electricity Act, the transmission, distribution and trade of electricity are regulated activities that require licenses from the Central Electricity Regulatory Commission (“CERC”), the State Electricity Regulatory Commissions (“SERCs”) or a joint commission (constituted by an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be). Under the Electricity Act, the appropriate commission, guided by, inter alia, the methodologies specified by the CERC, with the aim of promotion of co-generation and generation of electricity from renewable sources of energy shall specify the terms and conditions for the determination of tariff.

The Electricity Act currently requires the GoI to, from time to time, prepare the national electricity policy and tariff policy, in consultation with the state governments and Central Electricity Authority. The Draft Electricity (Amendment) Act, 2018 (“Draft EAA”) is sought to be enacted to amend certain provisions of the Electricity Act. Among others, the amendment empowers the GoI to establish and review a national renewable energy policy, tariff policy and electricity policy. Further, the GoI may in consultation with the state governments, notify policies and adopt measures for promotion of the national renewable energy fund, development of the renewable energy industry and for effective implementation and enforcement of related measures. The Draft EAA also seeks to inter alia exempt persons intending to generate and supply electricity from renewable energy resources from the requirement of obtaining a license for the generation and supply of electricity, subject to compliance with certain requirements specified under the Electricity Act.

DRAFT NATIONAL RENEWABLE ENERGY ACT, 2015 (“DRAFT NRE ACT”)

MNRE released the draft National Renewable Energy Act, 2015 on July 17, 2015. The draft Act provides for a framework to facilitate and promote the use of renewable energy. It aims to address issues that are not adequately covered under the Electricity Act, 2003, as amended (“Electricity Act”) or its amendments with respect to renewable energy such as the principles of grid planning and operation and the concept of national targets and its compliance by utilities.

It proposes provisions for facilitating generation of renewable energy through sound institutional structure, supportive eco-system, viable economic and financial framework and promotion of renewable energy applications including distributed and grid connected renewable electricity. Among other things, the Act proposes to empower the GoI and State Governments to establish national renewable energy funds and state green funds respectively, in order to meet the expenses of implementing the national renewable energy policy and national renewable energy plan.

NATIONAL ELECTRICITY POLICY, 2005

The GoI approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of the Electricity Act. The National Electricity Policy lays down the guidelines for development of the power sector including renewable energy and aims to accelerate the development of power sector by providing supply of electricity to all areas and protecting interests of consumers and other stakeholders. The National Electricity Policy provides that the SERCs should specify appropriate tariffs in order to promote renewable energy, until renewable energy power producers relying on non-conventional technologies can compete with conventional sources of energy.

The SERCs are required to ensure progressive increase in the share of generation of electricity from non-conventional sources and provide suitable measures for connectivity with grid and sale of electricity to any person. Further, the SERCs are required to specify, for the purchase of electricity from renewable energy sources, a percentage of the total consumption of electricity in the area of a distribution licensee. Furthermore, the National Electricity Policy provides that such purchase of electricity by distribution companies should be through a competitive bidding process. The National Electricity Policy permits the SERCs to determine appropriate differential prices for the purchase of electricity from renewable energy power producers, in order to promote renewable sources of energy.

NATIONAL TARIFF POLICY

The GoI notified the revised National Tariff Policy effective from January 28, 2016. Among others, the National Tariff Policy seeks to ensure availability of electricity to consumers at reasonable and competitive rates, financial viability of the sector and attract investments and promote generation of electricity from renewable sources. The National Tariff Policy mandates that SERCs must reserve a minimum percentage for purchase of solar energy equivalent to 8% of total consumption of energy by March 2022.

JAWAHARLAL NEHRU NATIONAL SOLAR MISSION (“JNNSM”)

The Jawaharlal Nehru National Solar Mission (JNNSM), or the National Solar Mission, is an initiative of the Government of India and State Governments to promote solar power in India. The JNNSM was approved by the GoI on November 19, 2009 and launched on January 11, 2010. The JNNSM has set a target of 100 GW of solar power in India by 2022 and seeks to implement and achieve the target in three phases (Phase I from 2012 to 2013, Phase II from 2013 to 2017 and Phase III from 2017 to 2022). The target will principally comprise of 40 GW rooftop solar power projects and 60 GW large and medium scale grid connected solar power projects. The JNNSM aims at creating conditions for rapid scale up of capacity and technological innovation to drive down costs towards grid parity. In addition, the GoI on March 22, 2017 sanctioned the implementation of a scheme to enhance the capacity of solar parks from 20,000 MW to 40,000 MW for setting up at least 50 solar parks each with a capacity of 500 MW and above by 2019 or 2020.

PRADHAN MANTRI KISAN URJA SURAKSHA EVAM UTTHAAN MAHABHIYAN SCHEME 2019

This Scheme aimed at ensuring energy security for farmers in India, along with honouring India’s commitment to increase the share of installed capacity of electric power from non-fossil-fuel sources to 40% by 2030 as part of Intended Nationally Determined Contributions (INDCs).

The PM-KUSUM Scheme was launched in 2019 with 3 components:

Component-A: For Setting up of 10,000 MW of Decentralized Grid Connected Renewable Energy Power Plants on barren land. Under this component, renewable energy based power plants (REPP) of capacity 500 kW to 2 MW will be setup by individual farmers/ group of farmers/ cooperatives/ panchayats/ Farmer Producer Organizations (FPO)/Water User associations (WUA) on barren/fallow land. These power plants can also be installed on cultivable land on stilts where crops can also be grown below the solar panels. The renewable energy power project will be installed within five km radius of the sub-stations in order to avoid high cost of sub-transmission lines and to reduce transmission losses. The power generated will be purchased by local DISCOM at pre-fixed tariff.

Component-B: For Installation of 17.50 Lakh stand-alone solar agriculture pumps. Under this Component, individual farmers will be supported to install standalone solar Agriculture pumps of capacity up to 7.5 HP for replacement of existing diesel Agriculture pumps / irrigation systems in off-grid areas, where grid supply is not available. Pumps of capacity higher than 7.5 HP can also be installed, however, the financial support will be limited to 7.5 HP capacity.

Component-C: For Solarisation of 10 Lakh Grid Connected Agriculture Pumps. Under this Component, individual farmers having grid connected agriculture pump will be supported to solarise pumps. The farmer will be able to use the generated solar power to meet the irrigation needs and the excess solar power will be sold to DISCOMs at pre-fixed tariff.

LABOUR LAWS

India has extensive labour related legislations. Certain other laws and regulations that may be applicable to our Company in India include the following which is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- Factories Act, 1948
- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Compensation Act, 1923;
- Workmen's Compensation Act, 1923;
- Employees (Provident Fund and Miscellaneous Provisions) Act, 1952;
- Employees' State Insurance Act, 1948;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act 1946;
- Child Labour (Prohibition and Regulation) Act, 1986
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Apprentices Act, 1961;
- Weekly Holidays Act, 1942
- Payment of Wages Act, 1936;
- Equal Remuneration Act, 1976;
- Public Liability Insurance Act, 1991;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (**MSMED Act**) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- i. where the investment in plant and machinery does not exceed twenty-five Lakh rupees shall be regarded as a micro enterprise;
- ii. where the investment in plant and machinery is more than twenty-five Lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;

- iii. Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (“Council”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector organise such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

TAXATION LAWS

INCOME-TAX ACT, 1961

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

THE GOODS AND SERVICE TAX ACT, 2017

The Goods and Services Tax (“GST”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“CGST”), relevant state’s Goods and Services Act, 2017 (“SGST”), Union Territory Goods and Services Act, 2017 (“UTGST”), Integrated Goods and Services Act, 2017 (“IGST”), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

INTELLECTUAL PROPERTY LAWS

TRADEMARKS ACT, 1999 (TM ACT)

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure. As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

COPYRIGHTS ACT, 1957

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

PATENTS ACT, 1970 (PATENT ACT)

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first invention in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

THE INFORMATION TECHNOLOGY (“IT”) ACT, 2000

This Act aims to provide the legal infrastructure for e-commerce in India. And the cyber laws have a major impact for e-businesses and the new economy in India. So, it is important to understand what are the various perspectives of the IT Act, 2000 and what it offers. The Information Technology Act, 2000 also aims to provide for the legal framework so that legal sanctity is accorded to all electronic records and other activities carried out by electronic means. The Act states that unless otherwise agreed, an acceptance of contract may be expressed by

electronic means of communication and the same shall have legal validity and enforceability.

PROPERTY RELATED LAWS

TRANSFER OF PROPERTY ACT, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by operation of law, is governed by the Transfer of Property Act, 1882. This Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: the transfer of ownership in property for a price paid or promised to be paid.
- Mortgage: the transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The Act recognizes several forms of mortgages over a property.
- Charges: transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: the transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.

REGISTRATION ACT, 1908 (THE “REGISTRATION ACT”)

The Registration Act has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in any immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered. Evidence of registration is normally available through an inspection of the relevant land records, which usually contains details of the registered property. Further, registration of a document does not guarantee title of land.

THE INDIAN STAMP ACT, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The Indian Stamp Act, 1899 (the –Stamp Act) provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all Instruments

which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

INDIAN EASEMENTS ACT, 1882 (THE “EASEMENT ACT”)

An easement is a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done, in or upon, other land not his own. Under the Easements Act, a license is defined as a right to use property without any interest in favour of the licensee. The period and incident may be revoked and grounds for the same may be provided in the license agreement entered in between the licensee and the licensor.

THE RIGHT TO FAIR COMPENSATION AND TRANSPARENCY IN LAND ACQUISITION, REHABILITATION AND RESETTLEMENT ACT, 2013 (“2013 LAND ACQUISITION ACT”)

The 2013 Land Acquisition Act has replaced the Land Acquisition Act, 1894 and aims at establishing a participative, informed and transparent process for land acquisition for industrialization, development of essential infrastructural facilities and urbanization. While aiming to cause least disturbance to land owners and other affected families, it contains provisions aimed at ensuring just and fair compensation to the affected families whose land has been acquired or is proposed to be acquired. It provides for rehabilitation and resettlement of such affected persons. Under the 2013 Land Acquisition Act, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Maharashtra) Rules, 2014 have been notified which frame rules in relation to inter alia the consent process, the compensation mechanism and rehabilitation and resettlement.

THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016

This Act was notified by the Parliament on 25th March, 2016 and extends to the whole of India except the State of Jammu and Kashmir. It establishes the Real Estate Regulatory Authority for regulations and promotions of the real estate sector and to ensure sale of plot, apartment or building, as the case may be, or sale of real estate project, in an efficient and transparent manner and to protect the interest of consumers in the real estate sector and to establish an adjudicating mechanism for speedy dispute redressal and also to establish the Appellate Tribunal to hear appeals from the decisions, directions or orders of the Real Estate Regulatory Authority and the adjudicating officer and for matters connected therewith or incidental thereto. The salient features of the Act are as following:

- Under the Act, instead of a regular forum of consumers, the purchasers of real estate units from a developer would have a specialized forum called the "Real Estate Regulatory Authority" which will be setup within one year from the date of coming into force of the Act. In the interim, the appropriate Government (i.e., the Central or State Government) shall designate any other regulatory authority or any officer preferably the Secretary of the department dealing with Housing, as the Regulatory Authority.
- The promoter has to register their project (residential as well as commercial) with the Regulatory Authority before booking, selling or offering apartments for sale in such projects. In case a project is to be promoted in phases, then each phase shall be considered as a standalone project, and the promoter shall obtain registration for each phase.
- Under the Act, developers can sell units only on carpet area, which means the net usable floor area of an apartment. This excludes the area covered by the external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but includes the area covered by the internal partition walls of the apartment.

- The Act mandates that a promoter shall deposit 70% of the amount realised from the allottees, from time to time, in a separate account to be maintained in a scheduled bank. This is intended to cover the cost of construction and the land cost and the amount deposited shall be used only for the concerned project.
- Stringent penal provisions have been prescribed under the Act against the promoter in case of any contravention or non-compliance of the provisions of the Act or the orders, decisions or directions of the Regulatory Authority or the Appellate Tribunal which are the following: a) If promoter does not register its project with the Regulatory Authority – the penalty may be up to 10% of the estimated cost of the project as determined by the Regulatory Authority; b) If promoter does not comply with the aforesaid order of the Regulatory Authority - imprisonment of up to three years and a further penalty of up to 10% of the estimated cost, or both; and c) In case the promoter provides any false information while making an application to the Regulatory Authority or contravenes any other provision of the Act – the penalty may be up to 5% of the estimated cost of the project or construction.

STATE LAW

URBAN DEVELOPMENT LAWS

State legislations provide for the planned development of urban areas and the establishment of regional and local development authorities charged with the responsibility of planning and development of urban areas within their jurisdiction. Real estate projects have to be planned and developed in conformity with the norms established in these laws and regulations made thereunder and require sanctions from the government departments and developmental authorities at various stages. For instance, in certain states such as Haryana, for developing a residential colony, a license is required from the relevant local authority. Where projects are undertaken on lands which form part of the approved layout plans and/or fall within municipal limits of a town, generally the building plans of the projects have to be approved by the concerned municipal or developmental authority. Building plans are required to be approved for each building within the project area. Clearances with respect to other aspects of development such as fire, civil aviation and pollution control are required from appropriate authorities depending on the nature, size and height of the projects. The approvals granted by the authorities generally prescribe a time limit for completion of the projects. These time limits are renewable upon payment of a prescribed fee. The regulations provide for obtaining a completion/occupancy certificate upon completion of the project.

AGRICULTURAL DEVELOPMENT LAWS

The acquisition of land is regulated by state land reform laws which prescribe limits up to which an entity may acquire agricultural land. Any transfer of land which results in the aggregate land holdings of the acquirer in the state exceeding this ceiling is void, and the surplus land is deemed, from the date of the transfer, to have been vested in the state government free of all encumbrances. When local authorities declare certain agricultural areas as earmarked for townships, lands are acquired by different entities. After obtaining a conversion certificate from the appropriate authority with respect to a change in the use of the land from agricultural to non-agricultural for development into townships, commercial complexes etc., such ceilings are not applicable. While granting licenses for development of townships, the authorities generally levy development/ external development charges for provision of peripheral services. Such licenses require approvals of layout plans for development and building plans for construction activities. The licenses are transferable on permission of the appropriate authority. Similar to urban development laws, approvals of the layout plans and building plans, if applicable, need to be obtained.

ENVIRONMENTAL REGULATIONS

THE ENVIRONMENT PROTECTION ACT, 1986 (“ENVIRONMENT PROTECTION ACT”)

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981

Air (Prevention and Control of Pollution) Act 1981(—the Act) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974

The Water (Prevention and Control of Pollution) Act 1974 (—the Act) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

NATIONAL ENVIRONMENTAL POLICY, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

IN GENERAL

COMPANIES ACT, 2013

The Companies Act, 2013 deals with incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route ‘within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (-FEMA Regulations) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

THE COMPETITION ACT, 2002

The Competition Act, 2002 (the -Competition Act) prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates -combinations in India. The Competition Act also established the Competition Commission of India (the -CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds.

There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

CONSUMER PROTECTION ACT, 1986 (COPRA)

The Consumer Protection Act, 1986 (-COPRA) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

THE INDIAN CONTRACT ACT, 1872 (“CONTRACT ACT”)

The Contract Act 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

TAXES ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS

Every person engaged in any profession, trade, callings and employment is liable to pay tax at the rate prescribed by the respective state government. It is considered necessary to levy tax on profession, trade callings and employment in order to augment state revenues. Every state is empowered by the Constitution of India to make laws relating to levy of taxes on professions, trades, callings and employments that shall serve as the governing provisions in that state.

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

Our Company was originally incorporated as a private limited Company under the Companies Act, 2013 in the name and style of “Sungarner Energies Private Limited” bearing corporate identification number U74900DL2015PTC279632, dated April 30, 2015 issued by the Registrar of Companies, Delhi. Subsequently the Company altered its objects pursuant to a shareholders’ resolution passed at an extra-ordinary general meeting held on January 31, 2022, and a certificate of confirming alteration of object clause dated February 27, 2020, was issued by Registrar of Companies, Delhi bearing corporate identification number U34100DL2015PTC279632. subsequently, the name of our company was changed to “Sungarner Energies Limited” pursuant to a shareholders’ resolution passed at an annual general meeting held on September 30 2022, and a fresh certificate of incorporation dated November 17, 2022 was issued by Registrar of Companies, Delhi bearing corporate identification number U34100DL2015PLC279632.

Our Company is offering wide range of power solutions such as Solar Power, UPS, Batteries, and Inverters. Our company is also engaged in the trading of solar panel business. We provide solutions, design and engineering services to our customers. Our Company leadership team consists of our promoters and other directors and KMPs who have a rich experience in the field of solar energy. This has made our company a highly acclaimed and trusted enterprise with a focus on innovation and sustained growth. We are having a professional managed team to execute our projects having vast techno-commercial knowledge and experience. Furthermore, our company also provide various kind of services such as Solar Power Plants Projects, Solar Power Generation System and Operation & maintenance thereof.

Our Company has successfully completed their first international project for the Bhutan Power Corporation for its Solar Power Plant in Bhutan for 180 KMPs. In the year 2018 and 2022 Company has also done their largest solar project domestically of 900 KW and 378KW of V N Dyers & Processors in Gorakhpur.

Background of Promoters

Mr. Sumit Tiwari, who is Managing Director and Promoter of the company is a businessman with wide experience of more than 18 years in diversified fields including Power Sector as well as Solar Industry and many more and he has engaged with companies like Tata BP Solar, Emerson Network Power & Delta.

He Holds a Degree in B.E. (Electrical and Electronics) from Agra University. He is a man of sharp business acumen, and it is due to his efforts that the company has reached to this height. He has Commercial Blend and market insights which has enabled Sungarner to build various verticals as strong pillars of organization.

Mrs. Sangidha Tiwari, who is Director and Promoter of the Company aged 38 years, is the Director of the Company. She has been appointed as Director on 06/06/2019. She holds a degree of postgraduate in pharmacy from APJ Abdul Kalam University. She has more than 15 years of experience in total.

In the past, she has served in A marketing research and consulting professional with over 8 years of experience in operations, service delivery, strategic research, business analysis, market & competitive intelligence, business process excellence, product management, setting up and managing multiple teams, recruitment and people development. She has also served as academician at Sunder Deep Group of Institution. Presently active at SunGarner Energies Ltd as Head strategic marketing.

CHANGES IN OUR REGISTERED OFFICE

Registered Office of the Company is presently situated at 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India.

The Details of the change of Registered Office of the Company are as follows:

| S. No. | Date of Change | Shifted From | Shifted to |
|--------|----------------|--|--|
| 1. | 01-04-2019 | 102, Sarika Vihar, Deenpur Extn, Najafgarh, New Delhi- 110043 | Cabin No. 4, Office No. 206, Rohini Complex CA Lane, WA 107, Shakarpur, Laxmi Nagar, New Delhi 110092, India |
| 2. | 21-10-2022 | Cabin No. 4, Office No. 206, Rohini Complex CA Lane, WA 107, Shakarpur, Laxmi Nagar, New Delhi 110092, India | 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India |

MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

1. To carry on the business of Energy Generation including trading and manufacturing of energy.
2. To carry on the business of planning, designing, engineering, manufacturing, exporting, importing, distribution including working as commission agent, marketing, purchasing, selling, assembling, testing, commissioning, modifying, repairing, consulting, training of solar power system, solar photovoltaic, solar thermal solutions, wind solution automation, scada solutions, power converters, line conditioning smart meters, UPS telecom power supplies, SMPS Transformers, Cable Modems, Remote Monitoring Solutions, Protection Solutions, Web Management Solution, PCU, etc.
3. To carry on the business of planning, designing, engineering, manufacturing, exporting, importing, distribution including working as commission agent, marketing, purchasing, selling, assembling, testing, commissioning, modifying, repairing, consulting, training of all type of electrical components.
4. To engage in the manufacturing and/or assembly of Electric Two Wheelers, three wheelers, Four Wheelers vehicles, Buses and Trucks and other activities related to manufacturing and/or assembly of Electric vehicles. Import the material and/or services required for manufacturing and/or assembly stated electric vehicles.
5. To engage in the business of retrofit KIT Electric vehicle conversion KIT for all Two Wheelers, three wheelers, Four Wheelers vehicles, Buses and Trucks. Import the material and/or services required for give effect to this clause.
6. To engage in the business of manufacturing and/or assembly of Lead Acid and Lithium-Ion Batteries. Import the material and/or services required for give effect to this clause.

* The clause 4, 5 & 6 were inserted in the Extra Ordinary General Meeting dated January 31, 2020 by passing Special Resolution.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MoA of our Company:

| Date of Amendment | Particulars of Amendment |
|-------------------|--|
| 21-11-2016 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 5,00,000 /- to Rs. 50,00,000/- |
| 31-01-2020 | Alteration of object clause of the Memorandum of Association |

| | |
|------------|---|
| 10-09-2022 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 50,00,000 /- to Rs. 5,50,00,000/- |
| 30-09-2022 | Conversion of Private Company into Public Company |

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

| YEAR | PARTICULARS |
|------|--|
| 2015 | Incorporation of the company |
| 2016 | Backed orders from DLF, Shapoorji Palonji, Modi group for its various power plants across India |
| 2017 | Alteration of object clause of the Memorandum of Association by adding business of Manufacturing and/or assembly of Electric Vehicles, Electric Vehicle Conversion KIT, and Lead Acid and Lithium-Ion Batteries. |
| 2017 | Formation of Inhouse R&D team for Industrial application at Gorakhpur. |
| 2017 | IIT, BHU recommendation received for our development of Solar Online UPS as innovative product. |
| 2018 | Manufacturing of power electronic products such as solar inverter, UPS etc. Further, started establishment of largest solar power plant for industrial application at Gorakhpur. |
| 2021 | Our First International Project was Funded by UNDP to Bhutan Power Corporations for its Largest Solar Power Plant in Bhutan which was completed in 2021 |
| 2022 | We have done our largest solar project of INR 500 Lakh of 900 KW and 378KW of V N Dyers & Processors in Gorakhpur. |
| 2022 | Alteration of Name clause of Memorandum of Association and subsequently the company was converted from Private Limited Company into Public Company |

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis for Issue Price" on page 103, 200 & 74 of this Prospectus respectively.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any holding company as on the date of filing of this Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have any subsidiary company as on the date of filing of this Prospectus

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused for listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding

up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled “*Capital Structure*” beginning on page number 54 respectively, of this Prospectus.

REVALUATION OF ASSETS

Our Company has not re-valued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as stated in this Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS /BANKS

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

STRIKES AND LOCK-OUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

SHAREHOLDERS’ AGREEMENT

Our Company does not have any subsisting shareholders’ agreement as on the date of this Prospectus.

OTHER AGREEMENTS

As on the date of this 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 into more than two years before the date of this Prospectus.

STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of this Prospectus.

FINANCIAL PARTNERS

As on the date of this Prospectus, our Company does not have any financial partners.

ACQUISITION OF BUSINESS / UNDERTAKINGS

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking since inception.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS

There has been no divestment by the Company of any business or undertaking since inception.

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has 12 (Twelve) shareholders as on date of this Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 54 of this Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 103, 134 respectively of this Prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 164 of this Prospectus.

COLLABORATION AGREEMENT

As on the date of this Prospectus, our Company is not party to any collaboration agreement.

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OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Prospectus, our Board consist of 5 (Five) Directors, out of which 2 (Two) are Executive Directors and 3 (Three) are Non-Executive Directors out of which 2 (Two) directors are independent director. Mr. Sumit Tiwari is the Managing Director of our Company.

| S. No. | Name | DIN | Category | Designation |
|--------|---------------------|----------|---------------|----------------------|
| 1. | Mr. Sumit Tiwari | 07047276 | Executive | Managing Director |
| 2. | Mrs. Snigdha Tiwari | 08292988 | Executive | Director |
| 3. | Mr. Amit Tiwari | 08367880 | Non-Executive | Director |
| 4. | Mr. Rajnish Gaur | 06369085 | Non-Executive | Independent Director |
| 5. | Mrs. Sudha Singh | 09803844 | Non-Executive | Independent Director |

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Prospectus:

| S.No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | Other Directorship/partner |
|-------|--|-----|------------------------------------|
| 1 | <p>Sumit Tiwari</p> <p>Designation: Managing Director</p> <p>Address: AD-51, Avantika, Kavi Nagar Ghaziabad, Uttar Pradesh-201002</p> <p>Date of Birth: September 21, 1981</p> <p>Qualification: B. E (Electrical and Electronics)</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: January 01, 2023 to December 31, 2028</p> <p>Date of First Appointment: 30/04/2015</p> <p>Date of Appointment as MD: 30/12/2022</p> <p>DIN: 07047276</p> | 41 | 01. Wingz Mobility Private Limited |
| 2 | <p>Snigdha Tiwari</p> <p>Designation: Director</p> <p>Address: AD-51, Avantika, Kavi Nagar Ghaziabad, Uttar Pradesh-201002</p> | 38 | 01. Wingz Mobility Private Limited |

| | | | |
|---|--|----|-------------------------|
| | <p>Date of Birth: July 22, 1984</p> <p>Qualification: Postgraduate in Pharmacy</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: Five years from the 06/06/2019</p> <p>Appointed on: 06/06/2019</p> <p>DIN: 08292988</p> | | |
| 3 | <p>Amit Tiwari</p> <p>Designation: Non- Executive Director</p> <p>Address: 302, Shubham Galaxy, Plot No 5, Sector 4, Thane, Maharashtra- 400709</p> <p>Date of Birth: December 08, 1976</p> <p>Qualification: PGDM</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Date of Appointment: 10/09/2022</p> <p>DIN: 08367880</p> | 45 | 01. Opportune Ideas LLP |
| 4 | <p>Rajnish Gaur</p> <p>Designation: Independent Director</p> <p>Address: F-94, Shastri Nagar, Ghaziabad, Ghaziabad, Uttar Pradesh - 201002</p> <p>Date of Birth: November 01, 1980</p> <p>Qualification: B. E (Computer Science)</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Date of Appointment: 29/11/2022</p> <p>DIN: 06369085</p> | 42 | NIL |

| | | | |
|---|--|----|-----|
| 5 | <p>Sudha Singh</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> 3/164, Vikas Khand, Gominagar, Lucknow, Uttar Pradesh- 226010</p> <p><i>Date of Birth:</i> March 15, 1982</p> <p><i>Qualification:</i> MBA (Marketing & Human Resources)</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of Appointment:</i> 29/11/2022</p> <p><i>DIN:</i> 09803844</p> | 40 | NIL |
|---|--|----|-----|

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Mr. Sumit Tiwari aged 41 years, Managing Director and the Founder of the Company. He appointed as Managing Director of the Company for 5 years w.e.f. January 01, 2023. He has more than 18 Years of experience in the Electrical & Electronics domain, and he has engaged with companies like Tata BP Solar, Emerson Network Power & Delta. He Holds a Degree in B.E. (Electrical and Electronics) from Agra University. He is a man of sharp business acumen, and it is due to his efforts that the company has reached to this height. He has Commercial Blend and market insights which has enabled Sungarner to build various verticals as strong pillars of organization.

Mrs. Snigdha Tiwari, aged 38 years, is the Director of the Company. She has been appointed as Director on 06/06/2019. She holds a degree of postgraduate in pharmacy from APJ Abdul Kalam University. She has more than 15 years of experience in the Marketing and Branding. In the past, she has served in Data View System, Sunderdeep Group and Anmol Pharmaceutical.

Mr. Amit Tiwari, aged 46 years, is the Non-Executive Director of the Company. He has been appointed as non-executive director since 10/09/2022. He is an IIT-IIM graduate, having over 22 years of experience across multiple industries including in the senior management for last 14 years. He is also an active seed stage investor and through his professional & investing experience, we have exposure to more than 10 industries. He advises on and is considered a launch & turnaround specialist.

Mr. Rajnish Gaur, aged 42 years, is an Independent Director of the Company. He has been appointed as the Independent Director on 29/11/2022. He holds degree in B.E Computer Science, and he is having an experience of More than 18 years in the designing multi-tiered, scalable and fault tolerant application architectures. He is a Google certified Professional Cloud Architect. He is well conversant with building and implementation of scalable analytics solutions & visualization dashboards with data engineering workflows and complex data pipelines. His presence in the Board bring independence in functioning and working of the Company.

Mrs. Sudha Singh aged 40 years is an Independent Director of the Company. She has been appointed as the Independent Director on 29/11/2022. She holds degree in Bachelor's degree in Education. She has also done MBA in Marketing and Human Resources. She is having over 15 years of experience in Education, Corporate

Training and Administrative field. In the Past, She has worked with ICICI and renowned educational institute like NIS Sparta, Shemrock, Vibgyor and Jaipuria.

Note:

None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Prospectus.

- 1) *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.*
- 2) *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.*

FAMILY RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

| Sr. No. | Name of the Director | Relationship with other director |
|----------------|-----------------------------|---|
| 1. | Mr. Sumit Tiwari | Spouse of Snigdha Tiwari |
| 2. | Mrs. Snigdha Tiwari | Spouse of Sumit Tiwari |
| 3. | Mr. Sumit Tiwari | Brother of Amit Tiwari |
| 4. | Mr. Amit Tiwari | Brother of Sumit Tiwari |

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 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.

Details of arrangement or understanding with major shareholders, consumers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.

There are no arrangements or understandings with major shareholders, consumers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

1. Executive Directors

| | |
|--|--|
| Name | Mr. Sumit Tiwari |
| Designation | Managing Director |
| Period | January 01, 2023 to December 31, 2028 |
| Date of approval of shareholder | 30/12/2022 |
| Remuneration | Rs. 30,58,560/- Per Annum |
| Perquisite | Re-imbusement of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Managing Director. |
| Name | Mrs. Snigdha Tiwari |
| Designation | Director |
| Period | Five Years from 06/06/2019. |
| Date of Appointment | 06/06/2019 |
| Remuneration | Rs. 15,58,560/- Per Annum |
| Perquisite | Re-imbusement of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Whole Time Director. |

2. Non-Executive Directors

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Prospectus:

| S. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|--------|-----------------------|---------------------------|--|
| 1. | Mr. Sumit Tiwari | 12,32,975 | 73.45% |
| 2. | Mrs. Snigdha Tiwari | 1,92,500 | 11.47% |
| 3. | Mr. Amit Tiwari | 100 | 0.01% |

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 property of Our Company

Our Directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Prospectus. Our Directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in “Related Party Transaction” in the chapter titled “*Financial Information*” beginning on page number 164 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Details of service contracts

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our 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 or retirement from employment.

Bonus or profit-sharing plan for the directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Contingent and deferred compensation payable to directors

No Director has received or is entitled to any contingent or deferred compensation.

Other indirect interest

Except as stated in chapter titled “*Financial Information*” beginning on page 164 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Borrowing power of the Board

In terms of the special resolution passed at an Extra- Ordinary General Meeting of our Company held on December 30, 2022 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of members of the Company has been accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and free reserve and securities premium account, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 50 Cr (Rupees Fifty Crore Only) at any time.

CHANGES IN THE BOARD FOR THE LAST THREE YEARS

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

| Name of Director | Date of Event | Reason for Change |
|-------------------------|----------------------|-------------------------------------|
| Amit Tiwari | 10/09/2022 | Appointed as Non-Executive Director |
| Rajnish Gaur | 29/11/2022 | Appointed as Independent Director |
| Sudha Singh | 29/11/2022 | Appointed as Independent Director |
| Sumit Tiwari | 30/12/2022 | Appointed as Managing Director |

MANAGEMENT ORGANIZATIONAL STRUCTURE

For Management Organizational Structure please refer chapter titled “Our Business” on page number 103 of this Prospectus.

CORPORATE GOVERNANCE

In additions 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 Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 23, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with

the corporate governance requirement, particularly in relation to appointment of independent directors including 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.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated February 03, 2022 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Prospectus, the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------|
| Rajnish Gaur | Chairperson | Independent Director |
| Sudha Singh | Member | Independent Director |
| Sumit Tiwari | Member | Managing Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-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.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate

recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. 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.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly head of the finance function) to be present at the meetings of the committee, but on the occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by

the Audit Committee.

The Audit Committee shall meet at least four times in a year and more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on February 03, 2022. As on the date of this Prospectus the Nomination and Remuneration Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------------------|
| Sudha Singh | Chairman | Non-Executive Independent Director |
| Rajnish Gaur | Member | Non-Executive Independent Director |
| Amit Tiwari | Member | Non-Executive Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. 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 Directorstheir appointment and removal.
5. 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.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee has been formed by the Board of Directors, at the meeting held on February 03, 2022. As on the date of this Prospectus the Stakeholder's Relationship Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------|
| Amit Tiwari | Chairman | Non-Executive Director |
| Snigdha Tiwari | Member | Director |
| Sumit Tiwari | Member | Managing Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The stakeholder's relationship is required to meet at least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

COMPLIANCE WITH SME LISTING REGULATIONS

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

| | |
|---|--|
| Name | : Mr. Sumit Tiwari |
| Designation | : Managing Director |
| Date of Appointment | : 30/12/2022 |
| Term of Office | : January 01, 2023 to December 31, 2028 |
| Expiration of Term | : December 31, 2028 |
| Qualification | : B. E (Electrical and Electronics) |
| Previous Employment | : Not Applicable |
| Overall Experience | : Mr. Sumit Tiwari has an experience of more than 18 years in the Various sectors including Power sector. In the past, he has been engaged with various companies like Tata BP solar, Emerson Network & Delta. |
| Remuneration paid in F.Y. 2021-22) | : Mr. Sumit Tiwari is appointed as Managing Director on 30/12/2022, he received a remuneration of Rs. 12,05,750/- Per Annum in financial year 2021-22 in the capacity of Director. |

| | |
|---|---|
| Name | : Mr. Anup Kumar Pandey |
| Designation | : Company Secretary & Compliance Officer |
| Date of Appointment | : 06/07/2023 |
| Qualification | : Company Secretary (CS) |
| Previous Employment | : EMS Limited |
| Overall Experience | : He is Company Secretary and Compliance Officer of our company & has been appointed on 06/07/2023. He has more than 8 years of Experience. |
| Remuneration paid in F.Y. 2022-23) | : NA |
| Name | : Mrs. Akansha Jain |
| Designation | : Chief Financial Officer (CFO) |
| Date of Appointment | : 18/11/2022 |
| Qualification | : Chartered Accountant |
| Previous Employment | : N.A. |
| Overall Experience | : He is Chief Financial Officer of our company & has been appointed on 18/11/2022. He has vast experience of more than 13 years. |
| Remuneration paid in F.Y. 2021-22) | : Mrs. Akansha Jain is appointed as CFO on 18/11/2022, therefore no remuneration has been received by him in financial year 2021-22. |

Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial 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. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they abide by their terms of appointments.

FAMILY RELATIONSHIP BETWEEN KMP

None of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

BONUS AND/ OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except Mr. Sumit Tiwari who is holding 12,32,975 equity shares of the Company, none of our Key Managerial

Personnel is holding any Equity Shares in our Company as on the date of this Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

Following have been the changes in the Key Managerial Personnel (KMP) during the last three years:

| S. No. | Name of KMP | Date of Joining | Date of Cessation | Reason for Change |
|--------|-------------------|-----------------|-------------------|---|
| 1. | Anup Kumar Pandey | 06/07/2023 | NA | NA |
| 2. | Kavita Wadhwa | 18/11/2022 | 30/05/2023 | Appointment as Company Secretary & Compliance officer |
| 3. | Akansha Jain | 18/11/2022 | NA | Appointment as Chief Financial officer |
| 4. | Sumit Tiwari | 30/12/2022 | NA | Appointment as Managing Director |

Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page 164 of the prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Prospectus.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 164 and 103 of this Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.



OUR PROMOTERS

The Promoter of our Company is:

| S. No. | Name | Category | Shareholding |
|--------|----------------|---------------------|--------------|
| 1. | Sumit Tiwari | Individual Promoter | 12,32,975 |
| 2. | Snigdha Tiwari | Individual Promoter | 1,92,500 |

For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 54 of this Prospectus.

Brief profile of our Individual Promoters is as under:

| | |
|---|--|
|  | <p>Mr. Sumit Tiwari aged 41 years, Managing Director and the Founder of the Company. He appointed as Managing Director of the Company for 5 years w.e.f 01/01/2023. He Holds a Degree in B.E. (Electrical and Electronics) from Agra University. He has more than 18 Years of experience with companies like Tata BP Solar, Emerson Network Power & Delta. He has a commercial blend with good Experience in launching new Products in India and International markets.</p> <p>He is a man of sharp business acumen, and it is due to his efforts that the company has reached to this height. He Holds a Degree in B.E. (Electrical and Electronics) from Agra University.</p> |
| <p>Name</p> | <p>Mr. Sumit Tiwari</p> |
| <p>Age</p> | <p>41</p> |
| <p>Qualification</p> | <p>B.E (Electrical and Electronics) Agra</p> |
| <p>Personal Address</p> | <p>AD-51, Avantika, Kavi Nagar Ghaziabad, Uttar Pradesh- 201002 India</p> |
| <p>Directorship & Other Ventures</p> | <p>3. Wingz Mobility Private Limited 4. Sumit Tiwari & Son HUF</p> |
| | |
|  | <p>Mrs. Snigdha Tiwari, aged 38 years, is the Director of the Company. She has been appointed as Director on 06/06/2019. She holds a degree of postgraduate in pharmacy from APJ Abdul Kalam University. She has more than 15 years of experience in total.</p> <p>In the past, she has served in A marketing research and consulting professional with over 8years of experience in operations, service delivery, strategic research, business analysis, market & competitive intelligence, business process excellence, product management, setting up and managing multiple teams, recruitment and people development. She has also served as academician at SunderDeep Group of Institution. Presently active at SunGarner Energies Pvt Ltd as Head strategic marketing.</p> |
| <p>Name</p> | <p>Mrs. Snigdha Tiwari</p> |
| <p>Age</p> | <p>38</p> |
| <p>Qualification</p> | <p>Postgraduate in Pharmacy</p> |
| <p>Personal Address</p> | <p>AD-51, Avantika, Kavi Nagar Ghaziabad, Uttar Pradesh- 201002 India</p> |
| <p>Directorship & Other Ventures</p> | <p>Wingz Mobility Private Limited</p> |

For details pertaining to other ventures of our Promoters, refer chapter titled “Our Group Entities” beginning on page no. 158 of this Prospectus.

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Our Promoters are the part of our board of directors as Managing Directors and/or Directors. Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

| Promoters | Director | Relationship |
|---------------------|------------------|----------------|
| Mr. Sumit Tiwari | Snigdha Tiwari | Spouse |
| Mr. Sumit Tiwari | Amit Tiwari | Brother |
| Mrs. Snigdha Tiwari | Mr. Sumit Tiwari | Spouse |
| Mrs. Snigdha Tiwari | Mr. Amit Tiwari | Brother-in-Law |

OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.
- Our Promoters have confirmed that they have not been identified as willful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

INTEREST OF 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 two years prior to filing of this Prospectus.

Interest as member of Our Company

Our Promoters hold 12,32,975 Equity Shares aggregating to 73.45% 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. Sumit Tiwari given in the chapter titled “Our Management” beginning on page number 139 of this Prospectus, our Promoters hold no other interest in our Company.

Interest as Director of our Company

Except as stated in the “*Statement of Related Party Transactions*” beginning on page number 197 of the Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

Other Ventures of our Promoters

Save and except as disclosed in the chapters titled “*Our Group Entities*” beginning on page 158 of the Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Change in the control of Our Company

Our Promoters are the original promoters of our Company and there has been no change in the management or control of our Company.

Litigation involving our Promoters

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 210 of this Prospectus.

Payment of benefits to our Promoters and Promoter Group during the last two years

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as Annexure IX on page number 197 of the section titled “*Financial Information*” beginning on page number 164 of the Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Prospectus.

OTHER CONFIRMATIONS

As on the date of this Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 210 of this Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.



GUARANTEES

Except as stated in the section titled "*Financial Statements*" beginning on page 164 of this 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 Prospectus.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Company, please refer to "*Statement of Related Party Transactions*", as Restated appearing as Annexure IX on page number 197 of the section titled "*Financial Information*" beginning on page number 164 of the Prospectus.

INFORMATION OF OUR GROUP COMPANIES

For details related to our group companies please refer "Our Group Entities" on page no. 158 of this Prospectus.

This space is left blank intentionally.

OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under:

A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

| Promoters | Sumit Tiwari |
|------------------------|---|
| Father | Mr. Amar Nath Tiwari |
| Mother | Mrs. Madhuri Tiwari |
| Spouse | Ms. Snigdha Tiwari |
| Brother | Mr. Amit Tiwari |
| Sister | - |
| Sons | Mr. Shreshth Tiwari |
| Daughters | Ms. Srishti Tiwari |
| Spouse Father | Mr. Vinod Kumar Mishra |
| Spouse Mother | Mrs. Manju Mishra |
| Spouse Brothers | - |
| Spouse Sisters | Ms. Spardha Tripathi Ms. Utkarsha Mishra |

| Promoters | Snigdha Tiwari |
|------------------------|---|
| Father | Mr. Vinod Kumar Mishra |
| Mother | Mrs. Manju Mishra |
| Spouse | Mr. Sumit Tiwari |
| Brother | - |
| Sister | Mrs. Spardha Tripathi Mrs. Utkarsha Mishra |
| Sons | Mr. Shreshth Tiwari |
| Daughters | Mrs. Srishti Tiwari |
| Spouse Father | Mr. Amar Nath Tiwari |
| Spouse Mother | Mrs. Madhuri Tiwari |
| Spouse Brothers | Mr. Amit Tiwari |
| Spouse Sisters | - |

B. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

| Particulars | Entity |
|---|--|
| Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member. | <ol style="list-style-type: none"> 1. Wingz Mobility Private Limited 2. Sumit Tiwari & Son HUF 3. Opportune Ideas LLP |

| | |
|---|-----|
| Any company in which a company (mentioned above) holds 20% of the total holding | Nil |
| Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding | Nil |

COMMON PURSUITS OF OUR PROMOTERS

The promoter Group entities are having business objects similar to our business. Further, currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

This space is left blank intentionally.

OUR GROUP ENTITIES

As per Regulation 2(1)(t) of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. Below mention are the details of Companies / Entities promoted by the Promoters of our Company and companies with which there were related party transactions, during the period the financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the Board of the Issuer. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

The Group Companies of our Company are as follows:

1. Wingz Mobility Private Limited

DETAILS OF GROUP COMPANIES

Wingz Mobility Private Limited

Corporate Information

Wingz Mobility Private Limited was incorporated under the Companies Act, 2013 on June 17, 2019, having CIN U40200UP2019PTC118122. The registered office of Wingz Mobility Private Limited is situated at Plot No. 113, Udyog Kendra-II Ecotech-III Greater Noida, Gautam Buddha Nagar, Uttar Pradesh 201308 India.

Board of Directors

The Directors of Wingz Mobility Private Limited as on the date of this Prospectus are as follows:

| Name | Designation |
|----------------|-------------|
| Sumit Tiwari | Director |
| Snigdha Tiwari | Director |

Shareholding Pattern

The Shareholding Pattern of Wingz Mobility Private Limited as on the date March 31, 2022 is as follows:

| Shareholders name | No. of shares | % of total holding |
|-------------------|---------------|--------------------|
| Sumit Tiwari | 9,000 | 90.00 |
| Snigdha Tiwari | 1,000 | 10.00 |

Financial Performance

Certain details of the audited financials of Wingz Mobility Private Limited are set forth below:

(Amount in Rs.)

| Particulars | FY 2022 | FY 2021 | FY 2020 |
|--|------------|------------|----------|
| Total Income | - | - | - |
| Profit after Tax | (5,862) | (79,332) | (28,052) |
| Equity Capital | 1,00,000 | 1,00,000 | 1,00,000 |
| Reserves & Surplus (excluding revaluation reserve) | (1,13,235) | (1,07,374) | (28,052) |
| Net worth | (13,235) | (7,374) | 71,942 |

| | | | |
|---|--------|--------|--------|
| NAV per share | (1.32) | (0.74) | 7.19 |
| Earnings per share (EPS) <i>(Basic & Diluted)</i> | (0.59) | (7.93) | (2.80) |
| No. of Equity Shares of Rs. 10/- each | 10,000 | 10,000 | 10,000 |

(Note: Financials for FY 22-23 not audited yet)

OTHER GROUP ENTITIES

The details of our Group entities are provided below:

1. SUMIT TIWARI & SON HUF

| | |
|---------------------------|--|
| Name of the firm | Sumit Tiwari & Son HUF |
| Status | Hindu Undivided Family |
| Nature of business | Service Provider |
| Work Address | AD-51, Avantika Chiranjeev Vihar, Ghaziabad, Uttar Pradesh- 201001 |

| S. No. | Particulars | Status |
|--------|--------------|--------|
| 1 | Sumit Tiwari | Karta |

Past financial performance is mentioned below:

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Income from business and profession | 25,248 | 2,20,500 | 2,48,400 |
| Income from other sources | 28,476 | 24,734 | - |
| Deductions, if any | (2,457) | (272) | - |
| Total | 51,270 | 2,44,960 | 2,48,400 |
| Tax Paid/ Refund | - | - | - |

(Note: Financial data for FY 22-23 not available yet)

2. OPPORTUNE IDEAS LLP

| | |
|------------------------------|--|
| Name of the firm | Opportune Ideas LLP (LLPIN: AAO-3354) |
| Date of Incorporation | 20/02/2019 |
| Status | Limited Liability Partnership |
| Nature of business | Providing services related to selling of E-learning courses |
| Work Address | Flat No 302, Shubham Galaxy, Plot No.5 Sector 4A, Koparkhairne, Thane, Maharashtra- 400709 |

Past financial performance is mentioned below:

| Particulars | FY 2022* | FY 2021 | FY 2020 |
|----------------------|----------|------------|------------|
| Total Income | - | 11,864 | 9,90,520 |
| Profit after Tax | - | (69,984) | (3,26,618) |
| Capital Contribution | - | 50,000 | 50,000 |
| Reserves & Surplus | - | (3,96,602) | (3,26,618) |

* The Financial data for FY 2021-2022 and 2022-23 are available not available with Company.

Profit sharing ratio is mentioned below:

| Sr. No. | Partner Name | Profit/ Loss Sharing Ratio (%) |
|---------|-----------------------------|--------------------------------|
| 01. | Amit Tiwari | 50.00 |
| 02. | Mandar Shrikant Shahapurkar | 50.00 |

DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.
- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page 210 of the Prospectus.

DEFUNCT GROUP COMPANIES

There is no defunct Group Companies of our Company as on the date of this Prospectus.

UNDERTAKING / CONFIRMATIONS

Our Promoters and Group Companies confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of the Promoters is or has ever been a promoter, director or person in control of any other company, which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoter has not been disassociated himself from the any entities/firms during preceding three years.

OTHER DETAILS OF GROUP COMPANIES/ENTITIES:

1. There are no defaults in meeting any statutory/ bank/ institutional dues;
2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled “Financial Information” Annexure IX- “Related Party Transaction” on page 197 of this Prospectus.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus with Stock Exchange

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Prospectus with Stock Exchange.

(c) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

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RELATED PARTY TRANSACTION

For details on related party transaction of our Company, please refer to Annexure IX of Restated Financial Statements beginning on page 197 of this Prospectus.

This space is left blank intentionally.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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SECTION VI – FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION OF SUNGARNER ENERGIES LIMITED (FORMERLY KNOWN AS SUNGARNER ENERGIES PRIVATE LIMITED)

To,
The Board of Directors
SunGarner Energies Limited
(Formerly known as SunGarner Energies Private Limited)
1/5322 S/F Plot No. 19A Gali No-13,
Babil Nagar Extension,
New Delhi-110032

1. We have examined the attached restated standalone financial information of “**SunGarner Energies Limited**”(Formerly known as **SunGarner Energies Private Limited**) (hereinafter referred to as “the Company” or “the Issuer”) comprising the restated statement of assets and liabilities as at 31 March 2023, 31 March 2022 and 31 March 2021, restated statement of Profit and Loss and 2restated cash flow statement for the financial year ended on 31 March 2023, 31 March 2021 and 31 March 2021 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the “**restated standalone financial information**” or “**restated standalone financial statements**”) annexed to this report and initiated by us for identification purposes. These Restated Standalone Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on Emerge Platform (“**IPO**”) of NSE Limited (“**NSE**”) of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the “**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”) and related amendments/ clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”);
 - (iii) The Guidance Note on Reports in Company Prospectuses (Revised2019) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”)
3. The Company’s Board of Directors is responsible for the preparation of the Restated Standalone Financial Statements for inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India (“**SEBI**”), Emerge platform of NSE Limited (“**NSE**”) and Registrar of Companies Delhi in connection with the proposed IPO. The Restated Standalone Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Standalone Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Statements. The Board of Directors is 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 Standalone Financial Statements taking in to consideration:
- (i) The terms of reference and term so four engagement letter requesting us to carry out the assignment, in connection with the proposed IPO;
 - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Statements;
 - (iv) 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. The Restated Standalone Financial Statements of the Company have been compiled by the management from:
- (i) The audit for the year ended on 31 March 2023 was conducted by us and the audit for the financial year 31 March 2022 and 31 March 2021 were conducted by M/s Jain Subhash Chand & Co., Chartered Accountants, Statutory Auditors. There are no audit qualifications in the audit reports issued by the statutory and tax auditors for the financial year ended on 31 March 2022 and 31 March 2021 which would require adjustments in the Restated Standalone Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by them.
 - (ii) We have Re-audited the Financial statements of the company in accordance with applicable standard as required under the SEBI ICDR regulations for the financial year ended on 31 March 2023, 31 March 2022, 31 March 2021 prepared in accordance with the Indian Accounting Standards (Indian GAAP) which have been approved by the Board of Directors.
 - (iii) Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Standalone Financial Statements:
 - a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively for the financial year ended on 31 March 2023, 31 March 2022 and 31 March 2021.
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - c) there are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
 - e) Adequate disclosure has been made in the financial statements as required to be made by the issuer as per schedule III of the Companies Act, 2013.
 - f) The accounting standards prescribed under the Companies act, 2013 have been followed.
 - g) The financial statements present a true and fair view of the company's accounts.

- (iv) In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
- a) The “**Restated Summary Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, of the Company as at 31 March 2023, 31 March 2022 and 31 March 2021 are prepared by the Company and approved by the Board of Directors. These Restated 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 fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
 - b) The “**Restated Summary Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the financial year ended on 31 March 2023, 31 March 2022 and 31 March 2021 are prepared by the Company and approved by the Board of Directors. These Restated 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 & V** to this Report.
 - c) The “**Restated Summary Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the financial year ended on 31 March 2023, 31 March 2022 and 31 March 2021 are prepared by the Company and approved by the Board of Directors. These Restated 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 & V** to this Report.
- (v) 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 for the financial year ended on 31 March 2023, 31 March 2022 and 31 March 2021 proposed to be included in the Draft Prospectus/Prospectus (“**Offer Document**”).

| Annexure No. | Particulars |
|---------------------|---|
| I | Restated Statement of Assets & Liabilities |
| I.1 | Restated Statement of Share Capital |
| I.2 | Restated Statement of Reserves & Surpluses |
| I.3 | Restated Statement of Long-Term Borrowings |
| I.4 | Restated Statement of Deferred Tax Liabilities/Assets |
| I.5 | Restated Statement of Long Term Provisions |
| I.6 | Restated Statement of Short Term Borrowings |
| I.7 | Restated Statement of Trade Payables |
| I.8 | Restated Statement of Other Current Liabilities |
| I.9 | Restated Statement of Short Term Provisions |
| I.10 | Restated Statement of Fixed Assets & Depreciations |
| I.11 | Restated Statement of Inventories |
| I.12 | Restated Statement of Trade Receivable |
| I.13 | Restated Statement of Cash & Cash Equivalent |
| I.14 | Restated Statement of Short-Term Loans and Advances |
| I.15 | Restated Statement of Other Current Assets |
| II | Restated Statement of Profit & Loss |

| | |
|-------------------------|---|
| II.1 | Restated Statement of Revenue from operations |
| II.2 | Restated Statement of Other Income |
| II.3 | Restated Statement of Cost of Material Consumed |
| II.4 | Restated Statement of (Increase)/decrease in the inventories of Raw material & Finished goods |
| II.5 | Restated Statement of Employees Benefit Expenses |
| II.6 | Restated Statement of Other Expenses |
| II.7 | Restated Statement of Financial Charges |
| II.8 | Restated Statement of Provision for Taxation |
| Other Annexures: | |
| III | Statement of Cash Flow, As Restated |
| IV | Statement of Significant Accounting Policies |
| V | Notes to the Re-stated Financial Statements |
| VI | Statement of Accounting & Other Ratios, As Restated |
| VII | Statement of Capitalization, As Restated |
| VIII | Statement of Tax Shelter, As Restated |
| IX | Statement of Related Parties & Transactions |
| X | Statement of Dividends |
| XI | Changes in the Significant Accounting Policies |
| XII | Contingent Liabilities |

- (vi) We, M/s. Kapish Jain & 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.
- (vii) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- (viii) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- (ix) Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document 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 **Kapish Jain & Associates**,
Chartered Accountants,
Firm Registration No: 022743N

Sd/-

CA Kapish Jain

Partner

Membership No: 514162

UDIN: 23514162BGWHEA2199

Place: Greater Noida

Date: 03 August 2023

RESTATED STATEMENT OF ASSETS AND LIABILITIES
(Amount in Lakh)

| Particulars | Annexure No. | As on | | |
|--|--------------|----------------|---------------|---------------|
| | | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Equity & Liabilities | | | | |
| 1. Shareholders Fund | | | | |
| a) Share Capital | I.1 | 167.88 | 46.50 | 46.50 |
| b) Reserves and Surplus | I.2 | 152.66 | 109.73 | 52.23 |
| Total Shareholder's Fund | | 320.54 | 156.23 | 98.73 |
| 2. Non Current Liabilities | | | | |
| a) Long Term Borrowings | I.3 | 20.85 | 56.60 | 25.46 |
| b) Deferred Tax Liability | I.4 | 17.07 | 5.77 | 3.87 |
| c) Other Non Current Liabilities | | - | - | - |
| d) Long Term Provisions | I.5 | 20.47 | 13.14 | - |
| Total Non Current Liabilities | | 58.39 | 75.51 | 29.32 |
| 3. Current Liabilities | | | | |
| a) Short Term Borrowings | I.6 | 403.26 | 170.02 | 78.32 |
| b) Trade Payables | I.7 | 143.88 | 93.51 | 82.10 |
| c) Other Current Liabilities | I.8 | 66.37 | 28.76 | 24.94 |
| d) Short Term Provisions | I.9 | 22.23 | 12.24 | 4.78 |
| Total Current Liabilities | | 635.74 | 304.53 | 190.13 |
| Total Equity & Liability | | 1014.67 | 536.27 | 318.19 |
| 4. Non-Current Assets | | | | |
| a) Property, Plant and Equipment and Intangible Assets | I.10 | | | |
| - Property, Plant and Equipment | | 189.89 | 164.98 | 132.72 |
| - Intangible Assets | | 0.54 | 0.67 | - |
| - Work-In-Progress | | - | 140.40 | - |
| Total Fixed Assets | | | | |
| b) Non - current Investments | | - | - | - |
| c) Deferred Tax Assets (Net) | | - | - | - |
| d) Long Term Loans and Advances | | - | - | - |
| e) Other Non- current Assets | | - | - | - |
| Total Non - Current Assets | | 190.44 | 167.05 | 132.72 |
| 5. Current assets | | | | |
| a) Inventories | I.11 | 435.05 | 209.83 | 79.68 |
| b) Trade Receivables | I.12 | 277.53 | 129.19 | 92.06 |
| c) Cash and Cash Equivalents balances | I.13 | 7.71 | 3.88 | 5.04 |
| d) Short Term Loans and advances | I.14 | 74.98 | 20.84 | 8.60 |
| e) Other Current Assets | I.15 | 28.97 | 5.47 | 0.09 |
| Total Current Assets | | 824.23 | 369.22 | 185.47 |
| Total Assets | | 1014.67 | 536.27 | 318.19 |



Note:- The above statement should be read with Significant accounting policy and notes to Restated financial statements appearing in Annexure IV & V respectively.

ANNEXURE – II

RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Lakh)

| Particulars | Annexure No. | For the year ended on | | |
|---|--------------|-----------------------|---------------|---------------|
| | | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Income | | | | |
| Revenue from Operations | II.1 | 1731.80 | 793.79 | 536.43 |
| Other Income | II.2 | 33.53 | 3.87 | - |
| Total Revenue | | 1765.33 | 797.66 | 536.43 |
| | | | | |
| Expenditure | | | | |
| Cost of Material Consumed | II.3 | 1053.72 | 399.35 | 330.87 |
| (Increase)/decrease in the inventories of work in progress & finished goods | II.4 | (33.43) | (25.28) | - |
| Employee Benefit Expenses | II.5 | 277.86 | 189.31 | 107.56 |
| Other Expenses | II.6 | 308.17 | 135.85 | 60.50 |
| Total Expenses | | 1606.32 | 699.24 | 498.95 |
| | | | | |
| Profit Before Interest, Depreciation and Tax | | 159.00 | 98.42 | 37.48 |
| Depreciation & Amortisation Expenses | I.10 | 11.14 | 6.87 | 6.07 |
| Profit Before Interest and Tax | | 147.87 | 91.55 | 31.39 |
| Financial Charges | II.7 | 26.96 | 14.27 | 8.57 |
| Profit before Taxation | | 120.90 | 77.28 | 22.82 |
| Provision for Taxation | II.8 | 35.10 | 17.88 | 5.26 |
| Current tax for earlier year | | 0.19 | - | - |
| Provision for Deferred Tax | | 11.30 | 1.90 | 1.84 |
| MAT Credit Entitlement | | - | - | - |
| Total | | 46.59 | 19.78 | 7.10 |
| Profit After Tax but Before Extra-ordinary Items | | 74.31 | 57.50 | 15.72 |
| Extraordinary Items | | - | - | - |
| Profit Attributable to Minority Shareholders | | - | - | - |
| Net Profit after adjustments | | 74.31 | 57.50 | 15.72 |
| Net Profit Transferred to Balance Sheet | | 74.31 | 57.50 | 15.72 |

Note:- The above statement should be read with Significant accounting policy and notes to Restated financial statements appearing in Annexure IV & V respectively.

RESTATED CASH FLOW STATEMENT
(Amount in Lakh)

| PARTICULARS | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|----------------------|----------------------|----------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit Before Tax as per Profit & Loss A/c | 120.90 | 77.28 | 22.82 |
| Adjusted for : | | | |
| a. Depreciation | 11.14 | 6.87 | 6.07 |
| b. Interest Expenses & Finance Cost | 26.96 | 14.27 | 8.57 |
| c. Unrealised foreign currency (gain)/loss | (0.07) | - | - |
| d. Interest & Other Income | - | - | - |
| | | | |
| Operating profit before working capital changes | | | |
| Adjusted for : | | | |
| a. Decrease /(Increase) in Inventories | (225.22) | (130.15) | (52.02) |
| b. Decrease / (Increase) in Trade Receivable | (148.26) | (37.13) | (7.18) |
| c. Decrease / (Increase) in Long Term Loans and Advances | - | 2.65 | 0.91 |
| c. Decrease / (Increase) in Short Term Loans and Advances | (54.14) | (18.82) | 11.62 |
| d. Decrease / (Increase) in Other Assets | (23.50) | (12.91) | (0.09) |
| e. Increase / (Decrease) in Trade Payables | 50.37 | 17.43 | 29.50 |
| f. Increase / (Decrease) in Short Term Provisions | 0.64 | 19.69 | (2.23) |
| f. Increase / (Decrease) in Long Term Provisions | 7.33 | 13.14 | - |
| g. Increase / (Decrease) in Other Liabilities | 37.61 | 0.81 | (2.56) |
| | | | |
| Cash generated from operations | | | |
| Net Income Tax (Paid)/Refund | (25.94) | (21.65) | (5.91) |
| Net Cash Generated/(Used) From Operating Activities (A) | (222.18) | (68.52) | 9.51 |
| | | | |
| B. CASH FLOW FROM INVESTING ACTIVITES | | | |
| a. (Purchase) Sale of Fixed Assets | (34.53) | (41.20) | (12.36) |
| b. Investment in subsidiary companies | - | - | - |
| c. Interest & Other Income | - | - | - |
| Net Cash Generated/(Used) From Investing Activities (B) | (34.53) | (41.20) | (12.36) |
| | | | |
| C. CASH FLOW FROM FINANCING ACTIVITES | | | |
| a. Interest & Finance Cost | (26.96) | (14.27) | (8.57) |
| b. Proceeds from issues of equity shares | 90.00 | - | - |
| c. (Repayments) / proceeds of long term borrowings | (35.75) | 31.13 | 13.41 |
| d. (Repayments) / proceeds of short term borrowings | 233.24 | 91.70 | 2.56 |
| | | | |
| Net Cash Generated/(Used) From Financing Activities (C) | 260.53 | 108.57 | 7.40 |
| | | | |
| Net Increase / (Decrease) in cash and cash equivalents | 3.83 | (1.15) | 4.55 |
| Cash and cash equivalents at the beginning of the year | 3.88 | 5.04 | 0.49 |
| Cash and cash equivalents at the end of the year | 7.71 | 3.88 | 5.04 |



Note:-

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year.

2. The above statement should be read with Significant accounting policy and notes to Restated financial statements appearing in Annexure IV & V respectively.

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A. Background of the Company:

SunGarner Energies Limited (Formerly known as SunGarner Energies Private Limited) having its registered office at 1/5322, S/F, Plot No. 19A, Gali No.-13, Balbir Nagar Extn., New Delhi - 110032 and corporate office at Plot No. 113 Udyog Kendra-II, Greater Noida, Gautam Budh Nagar, Uttar Pradesh - 201306, was incorporated on 30th April 2015, under Companies Act, 2013.

The corporate identification number of the company is U34100DL2015PTC27962. The Company is engaged in Manufacturing, Design, Engineering of Power Equipments and Appliances such as Online UPS, Solar Inverters, EV Chargers, Storage Solutions (Lead Acid and Lithium ion), Solar Equipment and Installation and Commissioning of Solar Power Plants. The Company presently provides these products and these services to corporate houses / Channel Partners all over India and Abroad.

B. Statement of Significant Accounting Policies

1.1 Basis of Preparation of Financial Statements:

The Restated Summary Statement of the Assets and Liabilities of the Company as at 31st March 2023, 31st March 2022 and 31st March 2021, the Restated Summary Statement of Profit and Loss and the Restated Summary Statement of Cash Flow thereof (collectively referred to as 'Restated Summary Statements') have been compiled by the management of the Company and have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) rules 2015. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees.

1.2 Use of Estimates:

The presentation of the financial statements, in conformity with Indian GAAP, requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable, future results could differ, the differences between the actual results and the estimates are recognised in the period in which the results are known / materialise.

1.3 Property, plant and equipment (PPE)

Tangible assets are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under property, plant and equipment.

Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met. Items of Property, Plant and Equipment that have been retired

from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements under the head 'Other current assets'. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss. An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

Depreciation on tangible asset is recognised on a straight line basis based on a useful life of the assets prescribed in Schedule II to the Act. If the management's estimates of the useful life of an asset at the time of acquisition of assets or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate owing to their risk of higher obsolescence / wear & tear. The useful life of the assets has been reassessed based on the number of years for which the assets have already been put to use and the estimated minimum balance period for which the assets can be used in the Company. The estimated life of property, plant and equipment has been determined as follows:

Estimated useful life has been tabulated below:

| Nature of Assets | Useful Life (In years) |
|--------------------------------|------------------------|
| Building | 30 |
| Building (Temporary Structure) | 3 |
| Computer Hardware | 3 |
| Electric Installations | 10 |
| Office Equipment | 5 |
| Furniture & Fixture | 10 |
| Plant And Machinery | 15 |

1.4 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed fifteen years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The estimated useful lives of intangible assets are as follows:

| Nature of Assets | Useful Life (In years) |
|------------------|------------------------|
| Software | 3 |

1.5 Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit

and Loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

1.6 Investment

Investments are classified between long term and current categories as per the Accounting Standards issued by Institute of Chartered Accountants of India.

Long term investments are stated at cost. Provision for diminution in the value of investments, if any, is made if the decline in value is of permanent nature. Current investments are valued at lower of cost or market value.

As a conservative and prudent policy, the Company does not provide for increase in the book value of individual investment held by it on the date of Balance Sheet.

1.7 Inventories

The figure of closing stock is taken on the basis of physical count of stock by the management at the end of the year.

Inventories are valued at lower of historical cost and net realizable value.

Cost of inventories have been computed to include all costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.

Stock-in-trade are based on weighted average cost basis.

Obsolete, slow moving and defective inventories are valued at net realizable value i.e. scrap rate.

Goods in transit are stated at actual cost incurred up to the date of Balance Sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the Company.

1.8 Revenue Recognition

- Revenue from sale of product

Revenue is recognized in respect of sales on dispatch of product to the customers. Quality rebates, claims and other discounts, if any, are disclosed separately.

- Other revenue

Interest on bank deposits is recognized on the time proportion basis taking into account the amounts invested and the rate of interest as applicable.

1.9 Employee Benefits

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation

at the balance sheet date. The defined benefit obligation is calculated at the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds

Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Liability in respect of compensated absences becoming due or expected to be availed within one year from the date is recognised on the basis undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method

1.10 Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise other than of the capitalisation of exchange differences which is referred to in PPE above.

1.11 Taxation

The tax expense comprises of current tax and deferred tax. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of Income Tax Act, 1961. Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the

balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognised/derecognised only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

1.12 Contingent liabilities and provisions

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

A disclosure is made for a contingent liability when there is a:

- a) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- b) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c) present obligation, where a reliable estimate cannot be made.

A provision is recognised when the Company has a present obligation as a result of past events, 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 disclosed to their 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 are adjusted to reflect the current best estimates.

1.13 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

1.14 Cash, Cash Equivalents and Bank Balances

Cash, Cash Equivalents and Bank Balances for the purpose of Cash Flow Statement comprise Cash at Bank, Cash in Hand, Cheques / Drafts in Hand, Deposits with Bank within 12 months maturity and other permissible instruments as per Accounting Standard AS-3.



1.15 Borrowing Cost:

Borrowing Cost attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.16 Segment Information:

Based on the principles for determination of segments given in Accounting Standard 17 “Segment Reporting” issued by accounting standard notified by Companies (Accounting Standard) Rules, 2008, the Company is mainly engaged in the activity surrounded with main business of the Company hence there is no reportable segment.

1.17 Prior Period Expenditure:

The change in estimate due to error or omission in earlier period is treated as prior period items. The items in respect of which liability has arisen/crystallized in the current year, though pertaining to earlier year is not treated as prior period expenditure.

1.18 Extra Ordinary Items:

The income or expenses that arise from event or transactions which are clearly distinct from the ordinary activities of the Company and are not recurring in nature are treated as extra ordinary items. The extra ordinary items are disclosed in the statement of profit and loss as a part of net profit or loss for the period in a manner so as the impact of the same on current profit can be perceived.

1.19 Impact of Covid19:

On the basis of assessment of the impact of the outbreak of COVID-19 on business operations of the entity, the entity’s management may conclude that no adjustment are required in the financial statement as it does not impact the current financial year However, the situation with COVID-19 is still evolving. Also, some of the various preventive measures taken are still in force, leading to highly uncertain economic environment. Due to these circumstances, the management’s assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.

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Notes to the Re-stated Financial Statements:
I. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

II. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profit & Loss and Cash flows wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

III. Material Adjustments in Restated Profit & Loss Account:

(Amount in Lakhs)

| Particulars | For the year ended | | |
|---|--------------------|--------------|--------------|
| | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Net Profit After Tax as per audited accounts but before adjustments for restated accounts: | 74.13 | 55.63 | 16.91 |
| Adjustment for provision of Depreciation in respect of change in method of Depreciation. | - | - | - |
| Adjustment for provision of Income Tax. | - | (1.12) | 0.26 |
| Adjustment for Provision of Defferred Tax in respect of timing differences between taxable income and accounting Income | (0.19) | (0.74) | 0.93 |
| Profit after Tax as per restated | 74.31 | 57.50 | 15.72 |

IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at March 31, 2023 has been made based on the information available with the Company. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on such information provided by the Management.

(Amt in Lakhs)

| Particulars | For the year ended | | |
|---|--------------------|------------|------------|
| | 31/03/2023 | 31/03/2022 | 31/03/2021 |
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end. | 84.84 | - | - |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end. | 0.93 | - | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year. | - | - | - |
| Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year. | - | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year. | - | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year. | - | - | - |
| Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act. | - | - | - |
| Interest accrued and remaining unpaid as at the end of year. | 0.93 | - | - |
| Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act. | - | - | - |

- V. Other figures of the previous years have been regrouped/reclassified and rearranged wherever necessary.
- VI. As required under SEBI (ICDR) Regulations, the Statement of Assets and Liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.
- VII. Expenditure/Earnings in Foreign currency (on accrual basis).**

(Amt in Lakh)

| Particulars | For the year ended 31 March, 2023 |
|---------------------------------|--------------------------------------|
| Expenditure in Foreign Currency | 14.72 |
| Earning in Foreign Currency | 143.74 |

VIII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits are subject to confirmation and reconciliation.

IX. Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

X. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

XI. Director Personal Expenses

There are no director personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

XII. Deferred Tax Asset/Liability: [AS-22]

The Company has created Deferred Tax Asset/Liability as required by Accounting Standard (AS)-22.

I.1 STATEMENT OF EQUITY SHARE CAPITAL, RESERVES AND SURPLUS
(Amt in Lakh)
(a) Restated Statement of Share Capital

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|---------------|
| <u>Authorised Share Capital</u> | | | |
| No. of equity share of Rs. 10/- each | 55.00 | 5.00 | 5.00 |
| Authorised Share Capital | 550.00 | 50.00 | 50.00 |
| | | | |
| <u>Issued, Subscribed & Fully Paid-up</u> | | | |
| No. of equity share of Rs. 10/- each | 16.79 | 4.65 | 4.65 |
| Issued, Subscribed & Fully Paid-up | 167.87 | 46.50 | 46.50 |
| | | | |
| Note: The Company has one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. All shareholders are equally entitled to dividend. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts, if any) in the proportion of equity shares held by the shareholders. | | | |

(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period
(No. of Equity Shares)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|------------------|-----------------|-----------------|
| Shares outstanding at the beginning of the year | 4,65,000 | 4,65,000 | 4,65,000 |
| Shares issued during the year | 2,25,000 | - | - |
| Bonus Issued during the year | 9,88,750 | - | - |
| Share outstanding at the end of the year | 16,78,750 | 4,65,000 | 4,65,000 |

(c) Details of shareholders holding more than 5% shares in the Company

| Name of shareholders | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---------------------------------|---------------|---------------|---------------|
| <i>Snigdha Tiwari</i> | | | |
| No. of Shares | 1,92,500 | 70,000 | 70,000 |
| % of holding | 11.47% | 15.05% | 15.05% |
| | | | |
| <i>Pooja Nill Almadi</i> | | | |
| No. of Shares | 1,27,875 | 46,500 | 46,500 |
| % of holding | 11.47% | 10.00% | 10.00% |
| | | | |
| <i>Sumit Tiwari</i> | | | |
| No. of Shares | 12,32,975 | 3,48,500 | 3,48,500 |
| % of holding | 73.45% | 74.95% | 74.95% |

(d) Details of The Shareholding pattern of the promoters at the year end as follows:

| Name of the Promoters/Shareholders | 31 March 2023 | | |
|------------------------------------|-----------------------|--------------|--------------------------|
| | No. of Shares Held | % of Holding | % Change during the year |
| Sumit Tiwari | 12,32,975 | 73.45% | -1.50% |
| Snigdha Tiwari | 1,92,500 | 11.47% | -3.59% |
| Madhuri | 100 | 0.01% | 0.01% |
| Amit Tiwari | 100 | 0.01% | 0.01% |
| Utkarsha Mishra | 100 | 0.01% | 0.01% |
| Amar Nath Tiwari | 100 | 0.01% | 0.01% |
| | | | |
| Name of the Promoters/Shareholders | As at 31st March 2022 | | |
| | No. of Shares Held | % of Holding | % Change during the year |
| Sumit Tiwari | 3,48,500 | 74.95% | 0.00% |
| Snigdha Tiwari | 70,000 | 15.05% | 0.00% |
| | | | |
| Name of the Promoters/Shareholders | As at 31st March 2021 | | |
| | No. of Shares Held | % of Holding | % Change during the year |
| Sumit Tiwari | 3,48,500 | 74.95% | 0.00% |
| Snigdha Tiwari | 70,000 | 15.05% | 0.00% |

1.2 RESTATED STATEMENT OF RESERVE & SURPLUS

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|---------------|---------------|---------------|
| Statement of Profit & Loss | | | |
| Opening balance | 109.73 | 52.23 | 36.51 |
| Add: Profit for the year | 74.31 | 57.50 | 15.72 |
| Total | 184.04 | 109.73 | 52.23 |
| Less: Utilised for issuance of bonus shares | (98.88) | - | - |
| Balance as at the end of the year | 85.17 | 109.73 | 52.23 |
| Security Premium Reserve | 67.50 | - | - |
| Revaluation Reserves | - | - | - |
| Other Reserves, If Any (Please Specify) | - | - | - |
| Total Reserve & Surplus | 152.67 | 109.73 | 52.23 |

I.3 RESTATED STATEMENT OF LONG TERM BORROWINGS
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|-------------------------------|---------------|---------------|---------------|
| <u>Secured Loans</u> | | | |
| <u>(a) From Banks</u> | | | |
| - IDFC First Bank | - | 14.67 | 15.75 |
| - ICICI Bank ECGLS | 2.75 | - | |
| - ICICI Bank Vehicle Loan | 16.52 | - | - |
| | | | |
| <u>Unsecured Loans</u> | | | |
| <u>From others</u> | | | |
| - Loans from Directors | 1.53 | 41.93 | 9.71 |
| | | | |
| Total | 20.85 | 56.60 | 25.46 |

Restated Statement of Principal terms of Secured Loans and Assets charged as Security

| Name of Lender | Pupose | Rate of Interest | Repayment Schedule | Moratorium | Outstanding amount as at 31 March 2023 | Outstanding amount as at 31 March 2022 | Outstanding amount as at 31 Mar 2021 |
|-------------------------------|---------------|------------------|--------------------|------------|--|--|--------------------------------------|
| <u>Secured Loans</u> | | | | | | | |
| - IDFC First Bank | ECLGS Loan | 9.25% | 48 months | NA | - | 14.67 | |
| - ICICI Bank | ECLGS Loan | 9.25% | 36 months | NA | 2.75 | - | |
| - ICICI Bank | Vehicle Loan | 8.50% | 60 months | NA | 16.57 | - | |
| - IDFC First Bank | ECLGS Loan | 9.15% | 48 months | 12 months | | | 15.75 |
| | | | | | | | |
| <u>Unsecured Loans</u> | | | | | | | |
| - Loans from Directors | Business Loan | NA | NA | NA | 1.53 | 41.93 | |
| - Loans from Directors | Business Loan | NA | NA | NA | | | 9.71 |

I.4 RESTATED STATEMENT OF DEFERRED TAX LIABILITIES/ASSETS
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|----------------|---------------|---------------|
| Deferred Tax Assets/Liabilities Provision | | | |
| WDV As Per Companies Act 2013 | 190.44 | 165.65 | 132.72 |
| WDV As Per Income tax Act | 106.54 | 143.46 | 117.85 |
| Difference in WDV | 83.90 | 22.19 | 14.87 |
| Disallowance u/s 43B of IT Act | (22.55) | | |

| | | | |
|--------------------------------------|--------------|-------------|-------------|
| (DTA)/DTL | 17.07 | 5.77 | 3.87 |
| Deferred Tax Assets Provision | | | |
| Opening Balance of (DTA)/DTL | 5.77 | 3.87 | 2.03 |
| Add: Provision for the year | 11.30 | 1.90 | 1.84 |
| Closing Balance of (DTA)/DTL | 17.07 | 5.77 | 3.87 |

I.5 RESTATED STATEMENT OF LONG TERM PROVISION

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2022 |
|--------------------------------|------------------|------------------|------------------|
| Provision for Gratuity | 14.71 | 11.91 | - |
| Provision for Leave Encashment | 5.76 | 1.23 | - |
| Total | 20.47 | 13.14 | - |

I.6 RESTATED STATEMENT OF SHORT TERM BORROWINGS

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|---------------|
| Secured Loans | | | |
| (a) Emergency Credit Line Guarantee Scheme from ICICI Bank Ltd. | | | |
| [Hypothecation of Stocks, Receivables and all current assets of the company, both present and future and Equitable Mortgage of factory premises at Plot No. 113 , Udyog Kendra, Extension 2, Ecotech 3, Greater Noida, Noida, Uttar Pradesh, India 201306. Also personal guarantee of Mr. Sumit Tiwari and Mrs. Snigdha Tiwari (Promoter of the Company)]. | 5.50 | - | - |
| (b) Vehicle Loan from ICICI Bank Ltd. | | | |
| (Hypothecation of respective vehicles.) | 3.60 | - | - |
| (a) Overdraft from ICICI Bank Ltd. | | | |
| [Hypothecation of Stocks, Receivables and all current assets of the company, both present and future and Equitable Mortgage of factory premises at Plot No. 113 , Udyog Kendra, Extension 2, Ecotech 3, Greater Noida, Noida, Uttar Pradesh, India 201306. Also personal guarantee of Mr. Sumit Tiwari and Mrs. Snigdha Tiwari (Promoter of the Company)]. | 390.95 | - | - |
| (b) Overdraft from IDFC Bank Ltd. | | | |
| [Hypothecation of Stocks, Receivables and all current assets of the company, both present and future and Equitable Mortgage of factory premises at Plot No. 113 , Udyog Kendra, Extension 2, Ecotech 3, Greater Noida, Noida, Uttar Pradesh, India 201306. Also personal guarantee of Mr. Sumit Tiwari and Mrs. Snigdha Tiwari (Promoter of the Company)]. | - | 170.02 | 78.32 |
| | | | |
| Total | 400.05 | 170.02 | 78.32 |
| Unsecured Loans | | | |

| | | | |
|---|---------------|---------------|--------------|
| Loans from Banks / Financial Institutions | 3.21 | - | - |
| Loans from Related Parties | - | - | - |
| Total | 403.26 | 170.02 | 78.32 |

Restated Statement of Terms and Conditions of Short Term Borrowing:

| Name of Lender | Purpose | Rate of Interest | Repayment Schedule | Moratorium | Outstanding amount as at 31 Mar 2023 | Outstanding amount as at 31 Mar 2022 | Outstanding amount as at 31 Mar 2021 |
|----------------------|--------------|------------------|--------------------|------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Secured Loans | | | | | | | |
| - ICICI Bank Ltd | ECLGS Loan | 9.25% | 36 months | NA | 5.50 | - | - |
| - ICICI Bank Ltd | Vehicle Loan | 8.50% | 60 months | NA | 3.60 | - | - |
| - ICICI Bank | OD | 9.25% | On Demand | NA | 391.95 | - | - |
| - IDFC First Bank | OD | 9.25% | On Demand | NA | - | 170.01 | - |
| - IDFC First Bank | OD | 9.25% | On Demand | NA | - | - | 78.31 |

I.7 STATEMENT OF TRADE PAYABLES

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|---------------|---------------|---------------|
| Trade Payables | | | |
| - MSME* | 84.84 | - | - |
| - Others | 59.04 | 93.51 | 82.10 |
| - Disputed dues - MSME* | - | - | - |
| - Disputed dues - Others | - | - | - |
| Total | 143.88 | 93.51 | 82.10 |
| *MSME as per the Micro, Small and Medium Enterprises Development Act, 2006. | | | |

Ageing Analysis of Trade Payables

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|-----------|-----------|-------------------|--------------|
| | As at 31st Mar 2023 | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 84.84 | - | - | - | 84.84 |
| (ii) Others | 59.04 | - | - | - | 59.04 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

Ageing Analysis of Trade Payables

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|-----------|-----------|-------------------|-------|
| | As at 31st March 2022 | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 93.23 | 0.29 | - | - | 93.51 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

Ageing Analysis of Trade Payables

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|-----------|-----------|-------------------|-------|
| | As at 31st March 2021 | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 81.99 | 0.11 | - | - | 82.10 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

Ageing Analysis of Trade Payables

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|-----------|-----------|-------------------|-------|
| | As at 31st March 2020 | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 35.29 | 17.61 | - | - | 52.90 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

I.8 RESTATED STATEMENT OF OTHER CURRENT LIABILITY
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|---------------|
| Current maturity of long term borrowings | - | - | - |
| Statutory Dues Payable | 7.13 | 6.13 | 10.50 |
| EPF & ESIC Payable | - | - | - |
| Advances from Customer | 39.70 | 12.66 | 3.19 |
| Interest to MSME vendors | 0.93 | - | - |
| Salary Payables | 16.68 | 9.98 | 11.24 |
| Other Payables | 1.92 | - | - |
| Total | 66.37 | 28.76 | 24.94 |

I.9 RESTATED STATEMENT OF SHORT TERM PROVISIONS

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|---------------|---------------|---------------|
| Provision for gratuity | 1.34 | 0.56 | - |
| Provision for leave encashment | 0.75 | 0.13 | |
| Provision for income tax (net of advance tax) | 17.89 | 8.54 | 4.78 |
| Audit fee payable | 2.25 | 3.00 | - |
| Total | 22.23 | 12.24 | 4.78 |

I.10 RESTATED STATEMENT OF FIXED ASSETS

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|---------------|---------------|---------------|
| (A) Tangible Assets | | | |
| <i>Furniture & Fittings</i> | | | |
| Gross Block - Opening Balance | 9.62 | 9.22 | 7.66 |
| Addition/Sale during the year | 0.85 | 0.40 | 1.56 |
| Gross Block - Closing Balance | 10.47 | 9.62 | 9.23 |
| Accumulated Depreciation - Opening Balance | 3.42 | 2.51 | 1.72 |
| Depreciation during the year | 0.98 | 0.90 | 0.79 |
| Accumulated Depreciation - Closing Balance | 4.40 | 3.42 | 2.51 |
| Net Block | 6.07 | 6.20 | 6.71 |
| | | | |
| <i>Computers & Other Accessories</i> | | | |
| Gross Block - Opening Balance | 7.91 | 5.72 | 5.12 |
| Addition/Sale during the year | 2.19 | 2.20 | 0.59 |
| Gross Block - Closing Balance | 10.10 | 7.91 | 5.72 |
| Accumulated Depreciation - Opening Balance | 5.60 | 5.26 | 3.58 |
| Depreciation during the year | 1.13 | 0.34 | 1.68 |
| Accumulated Depreciation - Closing Balance | 6.73 | 5.60 | 5.26 |
| Net Block | 3.37 | 2.31 | 0.46 |
| | | | |
| <i>Land</i> | | | |
| Gross Block - Opening Balance | 51.16 | 51.16 | 51.16 |
| Addition/Sale during the year | - | - | - |
| Gross Block - Closing Balance | 51.16 | 51.16 | 51.16 |
| Accumulated Depreciation - Opening Balance | - | - | - |
| Depreciation during the year | - | - | - |
| Accumulated Depreciation - Closing Balance | - | - | - |
| Net Block | 51.16 | 51.16 | 51.16 |

| | | | |
|---|--------------|--------------|--------------|
| <i>Building</i> | | | |
| Gross Block - Opening Balance | 72.29 | 69.34 | 64.44 |
| Addition/Sale during the year | 0.57 | 2.95 | 4.91 |
| Gross Block - Closing Balance | 72.86 | 72.29 | 69.34 |
| Accumulated Depreciation - Opening Balance | 10.26 | 7.04 | 4.87 |
| Depreciation during the year | 341 | 3.23 | 216 |
| Accumulated Depreciation - Closing Balance | 13.67 | 10.26 | 7.04 |
| <i>Net Block</i> | 59.19 | 62.03 | 62.31 |

| | | | |
|---|-------------|-------------|-------------|
| <i>Office Equipments</i> | | | |
| Gross Block - Opening Balance | 6.50 | 4.14 | 2.81 |
| Addition/Sale during the year | 1.83 | 2.36 | 1.33 |
| Gross Block - Closing Balance | 8.33 | 6.50 | 4.14 |
| Accumulated Depreciation - Opening Balance | 2.82 | 1.70 | 1.04 |
| Depreciation during the year | 1.42 | 1.12 | 0.66 |
| Accumulated Depreciation - Closing Balance | 4.24 | 2.82 | 1.70 |
| <i>Net Block</i> | 4.09 | 3.68 | 2.44 |

| | | | |
|---|--------------|--------------|--------------|
| <i>Plant & Machinery</i> | | | |
| Gross Block - Opening Balance | 46.24 | 15.76 | 11.79 |
| Addition/Sale during the year | 5.96 | 30.48 | 3.97 |
| Gross Block - Closing Balance | 52.20 | 46.24 | 15.76 |
| Accumulated Depreciation - Opening Balance | 7.31 | 6.11 | 5.32 |
| Depreciation during the year | 3.03 | 1.20 | 0.78 |
| Adjustment during the year | - | - | - |
| Accumulated Depreciation - Closing Balance | 10.35 | 7.31 | 6.11 |
| <i>Net Block</i> | 41.85 | 38.93 | 9.65 |

| | | | |
|---|-------------|-------------|---|
| <i>Electrical Installation</i> | | | |
| Gross Block - Opening Balance | 0.67 | - | - |
| Addition/Sale during the year | 0.02 | 0.67 | - |
| Gross Block - Closing Balance | 0.69 | 0.67 | - |
| Accumulated Depreciation - Opening Balance | 0.01 | - | - |
| Depreciation during the year | 0.07 | 0.01 | - |
| Adjustment during the year | - | - | - |
| Accumulated Depreciation - Closing Balance | 0.07 | 0.01 | - |
| <i>Net Block</i> | 0.62 | 0.66 | - |

| | | | |
|-------------------------------|---|---|---|
| <i>Vehicle</i> | | | |
| Gross Block - Opening Balance | - | - | - |

| | | | |
|---|---------------|---------------|---------------|
| Addition/Sale during the year | 24.52 | - | - |
| Gross Block - Closing Balance | 24.52 | - | - |
| Accumulated Depreciation - Opening Balance | - | - | - |
| Depreciation during the year | 0.97 | - | - |
| Adjustment during the year | - | - | - |
| Accumulated Depreciation - Closing Balance | 0.97 | - | - |
| Net Block | 23.55 | - | - |
| | | | |
| Total Net Block of Tangible Assets | 189.89 | 164.97 | 132.72 |
| | | | |
| B) Intangible Assets | - | - | - |
| <i>Software</i> | | | |
| Gross Block - Opening Balance | 0.74 | - | - |
| Addition/Sale during the year | - | 0.74 | - |
| Gross Block - Closing Balance | 0.74 | 0.74 | - |
| Accumulated Depreciation - Opening Balance | 0.07 | - | - |
| Depreciation during the year | 0.12 | 0.07 | - |
| Accumulated Depreciation - Closing Balance | 0.19 | 0.07 | - |
| Net Block | 0.55 | 0.67 | - |
| | | | |
| Total Net Block of Intangible Assets | 0.55 | 0.67 | - |
| | | | |
| C) Work-in-Progress | - | 1.40 | - |

I.11 RESTATED STATEMENT OF INVENTORIES

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|------------------|---------------|---------------|---------------|
| Raw Material | 375.76 | 183.97 | 79.68 |
| Work in progress | 35.23 | 12.10 | - |
| Finished Goods | 24.05 | 13.76 | - |
| Total | 435.05 | 209.83 | 79.68 |

I.12 RESTATED STATEMENT OF TRADE RECEIVABLES

(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|-----------------------------|---------------|---------------|---------------|
| Secured & Considered Good | - | - | - |
| Unsecured & Considered Good | 277.53 | 129.19 | 92.06 |
| Doubtful | - | - | - |
| Total | 277.53 | 129.19 | 92.06 |

Ageing Schedule of Trade Receivable

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|--|-----------------|-----------|-----------|-------------------|--------|
| | As at 31st Mar 2023 | | | | | |
| | Less than 6 Month | 6 Months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 270.53 | 4.18 | 2.82 | - | - | 277.53 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |

Ageing Schedule of Trade Receivable

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|--|-----------------|-----------|-----------|-------------------|--------|
| | As at 31 March, 2022 | | | | | |
| | Less than 6 Month | 6 Months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 127.83 | 1.37 | - | - | - | 129.17 |
| (ii) Undisputed Trade Receivables – considered doubtful | | | | | | |
| (iii) Disputed Trade Receivables considered good | | | | | | |
| (iv) Disputed Trade Receivables considered doubtful | | | | | | |

Ageing Schedule of Trade Receivable

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|--|-----------------|-----------|-----------|-------------------|-------|
| | As at 31 March, 2021 | | | | | |
| | Less than 6 Month | 6 Months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 79.21 | 12.85 | - | - | - | 92.06 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |

I.13 STATEMENT OF CASH & CASH EQUIVALENTS
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|---------------|
| Cash In Hand | 6.05 | 3.34 | 0.32 |
| Balance With Bank (in Current Accounts) | 1.66 | 0.55 | 4.71 |
| Other bank balances | | | |
| Balance in deposits with original maturity of more than 3 months but less than 12 months | - | - | - |
| Total | 7.71 | 3.88 | 5.04 |

I.14 STATEMENT OF SHORT TERM LOAN & ADVANCES
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|---------------|
| Loans and Advances to others Unsecured, Considered Good | | | |
| Advances to staff | 8.22 | 8.51 | |
| Advances to suppliers | 66.76 | 12.33 | - |
| Advance recoverable in cash or kind | - | - | 3.58 |
| Duties and Taxes recoverable | - | - | 5.01 |
| Total | 74.98 | 20.84 | 8.60 |

I.15 STATEMENT OF OTHER CURRENT ASSET
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|------------------|---------------|---------------|---------------|
| GST Receivable | 2.80 | 5.36 | - |
| Prepaid Expenses | 26.17 | 0.11 | 0.09 |
| Total | 28.97 | 5.47 | 0.09 |

II.1 RESTATED STATEMENT OF REVENUE FROM OPERATIONS
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|----------------|---------------|---------------|
| Sale of Products | | | |
| - Domestic Sales | 1314.02 | 603.70 | 198.70 |
| - Export Sales | 143.74 | 45.70 | 153.38 |
| Sale of Services | | | |
| - Technical consultancy services | 86.62 | 49.63 | 184.35 |
| - Erection, installation and comissioning income | 92.78 | 28.14 | |
| - AMC charges and others income | 94.64 | 66.61 | |
| Total | 1731.80 | 793.79 | 536.43 |

II.2 RESTATED STATEMENT OF REVENUE FROM OTHER INCOME
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--------------------------|---------------|---------------|---------------|
| Interest on Bank Deposit | - | - | - |
| Freight Outwards | 27.33 | 3.81 | - |
| Other income | 6.19 | 0.06 | - |
| Total | 33.53 | 3.87 | - |

II.3 RESTATED STATEMENT OF COST OF MATERIAL CONSUMED
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|-----------------------------------|----------------|---------------|---------------|
| <i>As certified by management</i> | | | |
| Opening Stock | 183.97 | 79.10 | 27.66 |
| Add: Purchases of raw material | 1245.51 | 504.22 | 382.92 |
| Less: Closing Stock | 375.76 | 183.97 | 79.68 |
| Cost of Material Consumed | 1053.72 | 399.35 | 330.90 |

II.4 RESTATED STATEMENT OF (INCREASE)/DECREASE IN THE INVENTORIES OF RAW MATERIAL & FINISHED GOODS
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|----------------|----------------|---------------|
| Stock at the end of the year (A) | | | |
| Work in progress | 35.23 | 12.10 | - |
| Finished Goods | 24.05 | 13.76 | - |
| Total (A) | 59.28 | 25.86 | - |
| Stock at the beginning of the year (B) | | | |
| Work in progress | 12.10 | - | - |
| Finished Goods | 13.76 | 0.58 | - |
| Total (B) | 25.86 | 0.58 | - |
| Total (B-A) | (33.43) | (25.28) | - |

II.5 RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|---------------|----------------|---------------|
| Salaries, Wages & Bonus | 234.42 | 163.98 | 97.82 |
| Gratuity | 5.08 | 12.48 | - |
| Contribution to Provident and Other Funds | 14.67 | 8.97 | 6.38 |
| Staff Welfare | 23.69 | 3.89 | 3.36 |
| Total | 277.86 | 1,89.31 | 107.56 |

II.6 RESTATED STATEMENT OF OTHER EXPENSES
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|---|----------------------|----------------------|----------------------|
| Loading and unloading charges | 32.68 | 16.59 | 8.92 |
| Freight charges | 25.31 | 3.83 | 3.59 |
| Electricity & water charges | 4.64 | 3.43 | 3.41 |
| Jobwork charges | 8.90 | 4.24 | 4.25 |
| Repairs and Maintenance Building | - | - | 0.16 |
| Repairs and maintenance of machineries | 1.37 | 0.58 | 3.24 |
| Technical service expense | 82.65 | 46.11 | - |
| Installation & Commissioning Charges | 17.47 | - | 0.93 |
| Site expenses | 9.34 | 5.41 | 5.39 |
| Advertisement & business promotion | 33.80 | 5.91 | 7.06 |
| Interest on delayed deposit of statutory dues | 0.23 | 0.18 | - |
| Office Rent | 0.18 | 1.32 | 1.32 |
| Rates and taxes | 7.64 | 3.03 | 0.63 |
| Insurance Charges | 1.81 | 0.59 | 0.37 |
| Bank Charges | 0.35 | 1.78 | 1.03 |
| Travelling & conveyance charges | 28.21 | 18.62 | 5.73 |
| Courier Expenses | 1.99 | 1.08 | 1.43 |
| Communication charges | 2.52 | 1.38 | 0.75 |
| Legal & Professional charges | 12.39 | 11.15 | 7.30 |
| Printing & Stationary | 3.98 | 1.67 | 1.36 |
| Payment to Statutory Auditors | | | |
| -Audit fee | 1.75 | 1.50 | 1.50 |
| -Tax Audit fee | 0.50 | - | - |
| -Certification fee | 1.40 | - | - |
| Commission on sales | 14.87 | - | 0.50 |
| Membership & subscription charges | 1.44 | 0.48 | - |
| Office Expense | 8.89 | 3.61 | - |
| Miscellaneous Expenses | 3.59 | 3.38 | 1.46 |
| Foreign exchange fluctuation (Net) | 0.26 | - | - |
| Software Expense | - | - | 0.16 |
| Total | 308.17 | 135.85 | 60.50 |

II.7 RESTATED STATEMENT OF FIANACIAL CHARGES
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|----------------------------|----------------------|----------------------|----------------------|
| Interest on Bank Overdraft | 18.77 | 11.77 | 8.57 |
| Interest on Loan | 2.98 | 0.44 | - |
| Interest on Vehicle Loan | 0.47 | - | - |
| Interest on MSME Vendors | 0.93 | - | - |
| Loan Processing Fee | 3.81 | 2.06 | - |
| Total | 26.96 | 14.27 | 8.57 |

II.8 RESTATED STATEMENT OF PROVISION FOR TAXATION
(Amt in Lakh)

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--------------|---------------|---------------|---------------|
| Current Tax | 35.10 | 17.88 | 5.26 |
| Mat Credit | - | - | - |
| Deferred Tax | 2.34 | 1.90 | 1.65 |

ANNEXURE-VI STATEMENT OF ACCOUNTING & OTHER RATIOS, AS RESTATED

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|---------------|---------------|----------------|
| Net Profit as Restated | 74.31 | 57.50 | 15.72 |
| Add: Depreciation | 11.14 | 6.87 | 6.07 |
| Add: Interest on Loan | 26.96 | 14.27 | 8.57 |
| Add: Income Tax | 46.59 | 19.78 | 7.10 |
| EBITDA | 159.00 | 98.42 | 37.48 |
| EBITDA Margin (%) | 9.01% | 12.34% | 6.99% |
| Net Worth as Restated | 320.54 | 156.23 | 98.73 |
| Return on Net worth (%) as Restated | 23.18% | 36.80% | 15.92% |
| Equity Share at the end of year (in Nos.) | 16.79 | 4.65 | 4.65 |
| Weighted No. of Equity Shares | 11.70 | 465 | 4.65 |
| Basic & Diluted Earnings per Equity Share as Restated (INR) | 6.35 | 12.36 | 3.38 |
| Net Asset Value per Equity share as Restated | 19.09 | 33.60 | 21.23 |
| Nominal Value per Equity share (Rs.) | 10 | 10 | 10 |
| Current Assets (A) | 824.23 | 369.22 | 185.47 |
| Current Liabilities (B) | 635.74 | 304.53 | 190.13 |
| Current Ratio (A/B) | 1.30 | 1.21 | 0.98 |
| Debt | 424.12 | 226.62 | 25.46 |
| Equity | 320.54 | 156.23 | 98.73 |
| Debt Equity Ratio (In Times) | 1.32 | 1.45 | 0.25790 |
| EBIT | 147.87 | 91.55 | 31.39 |
| Interest+Principal | 430.23 | 184.29 | 8689 |
| Debt Service Coverage Ratio | 0.34 | 0.50 | 0.36 |
| PAT | 74.31 | 57.50 | 15.72 |
| Average Equity of Shareholder | 238.39 | 127.48 | 90.78 |
| Return On Equity (%) | 31.17% | 45.10% | 17.32% |
| Opening Inventory | 209.83 | 79.68 | 27.66 |
| Closing Inventory | 435.05 | 209.83 | 79.68 |
| Average Inventory | 322.44 | 144.76 | 53.67 |
| Revenue From Operation | 1731.80 | 793.79 | 536.43 |

| | | | |
|--|---------------|---------------|----------------|
| Inventory Turnover Ratio (In Times) | 5.37 | 5.48 | 9.99 |
| Opening Trade Receivable | 129.19 | 92.06 | 84.89 |
| Closing Trade Receivable | 277.53 | 129.19 | 92.06 |
| Avg Trade Receivable | 203.36 | 110.63 | 88.47 |
| Trade Receivables turnover ratio (In times) | 8.52 | 7.18 | 6.06 |
| Purchase | 1245.51 | 504.23 | 382.92 |
| Opening Trade Payable | 93.51 | 82.10 | 52.60 |
| Closing Trade Payable | 143.88 | 93.51 | 82.10 |
| Average Trade Payable | 118.70 | 87.81 | 67.35 |
| Trade Payable Ratio (In Times) | 10.49 | 5.74 | 5.69 |
| Revenue From Operation | 793.78 | 793.78 | 536.43 |
| Average Working Capital | 126.59 | 30.01 | (17.00) |
| Net Capital Turnover Ratio (In Times) | 6.27 | 26.45 | (31.55) |
| Revenue From Operation | 1731.80 | 793.79 | 536.43 |
| PAT | 74.31 | 57.50 | 15.72 |
| N P Ratio (In %) | 4.29% | 7.24% | 2.93% |
| EBIT | 147.87 | 91.55 | 31.39 |
| Opening Capital Employed | 225.97 | 124.20 | 94.88 |
| Closing Capital Employed | 361.86 | 225.97 | 124.20 |
| Average Capital Employed | 293.92 | 175.08 | 109.54 |
| Restated PAT as per P&L Account | 74.31 | 57.50 | 15.72 |
| Return on Capital Employed (In %) | 25.28% | 32.84% | 14.35% |
| Net PAT | 74.31 | 57.50 | 15.72 |
| Opening Assets | 536.27 | 318.19 | 259.70 |
| Closing Assets | 1014.67 | 536.27 | 318.19 |
| Average Assets | 775.47 | 427.23 | 288.94 |
| Return on Investments (In %) | 9.58% | 13.46% | 5.44% |

Note: -

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

ANNEXUREVII: STATEMENT OF CAPITALISATION AS RESTATED

(Amount in Lakhs)

| Particulars | Pre-Issue | Post Issue* |
|----------------------------|---------------|---------------|
| | 31 March 2023 | |
| Debt: | | |
| Short Term Debt | 403.26 | 403.26 |
| Long Term Debt | 20.85 | 20.85 |
| Total Debt | 424.11 | 424.11 |
| Shareholders' Funds | | |

| | | |
|--|---------------|---------------|
| Equity Share Capital | 167.88 | 231.88 |
| Reserves and Surplus | 152.67 | 619.87 |
| Less: Misc. Expenditure | - | - |
| Total Shareholders' Funds | 320.54 | 851.74 |
| <i>Long Term Debt/ Shareholders' Funds</i> | <i>0.07</i> | <i>0.02</i> |
| Total Debt / Shareholders Fund | 1.32 | 0.50 |

* Assuming Full Allotment of IPO shares

ANNEXURE VIII: STATEMENT OF TAX SHELTER, AS RESTATED

| Particulars | | | |
|--|-------------------|-------------------|-------------------|
| | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Profit Before Tax as per books of accounts (A) | 120.90 | 77.28 | 22.82 |
| -- Normal Tax rate | 27.82% | 26.00% | 26.00% |
| -- Minimum Alternative Tax rate | 15.60% | 15.60% | 15.60% |
| Permanent differences | | | |
| Expenses Disallowances | 6.39 | 1.67 | 0.91 |
| Other Adjustments | - | - | - |
| Total (B) | 6.39 | 1.67 | 0.91 |
| Timing Differences | | | |
| Depreciation as per Books of Accounts | 11.14 | 6.87 | 6.07 |
| Depreciation as per Income Tax | 22.49 | 17.04 | 9.58 |
| Difference between tax depreciation and book depreciation | (11.35) | (10.18) | (3.50) |
| Other adjustments | 10.22 | - | - |
| Total (C) | (1.13) | (10.18) | (3.50) |
| Net Adjustments (D = B+C) | 5.27 | (8.51) | (2.59) |
| Total Income (E = A+D) | 126.17 | 68.77 | 20.23 |
| Brought forward losses set off (F) | - | - | |
| Taxable Income/ (Loss) for the year/period (E+F) | 126.17 | 68.77 | 20.23 |
| Tax Payable for the year/period | 35.10 | 17.88 | 5.26 |
| Tax payable as per MAT | 18.86 | 12.06 | 3.56 |
| Tax expense recognised | 35.10 | 17.88 | 5.26 |
| Tax payable as per normal rates or MAT (whichever is higher) | Income Tax | Income Tax | Income Tax |

ANNEXURE IX: STATEMENT OF RELATED PARTIES & TRANSACTIONS
(Amt in Lakh)

The Company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

| Name of the key managerial personnel/Entity | Relationship | | |
|---|--|----------------------|----------------------|
| Sumit Tiwari | Director | | |
| Snigdha Tiwari | Director | | |
| Amit Tiwari (with effect from 10 Sep 2022) | Director | | |
| Rajnish Gaur (with effect from 29 Nov 2022) | Director | | |
| Sudha Singh (with effect from 29 Nov 2022) | Director | | |
| Kavita Wadhwa (till 30 May 2023) | Company Secretary | | |
| Anup Kumar Pandey (with effect from 06 Jul 2023) | Company Secretary | | |
| Akansha Jain (with effect from 18 Nov 2022) | Chief Financial Officer | | |
| Vrindo Nano Technologies Private Limited | Enterprise where key management personnel along with their relative exercise significant influence | | |
| Transactions with Related Parties: | | | |
| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Share capital (including security premium) issued to | | | |
| Sumit Tiwari | 118.45 | - | - |
| Snigdha Tiwari | 12.25 | - | - |
| Unsecured borrowing taken during the year | | | |
| Sumit Tiwari | 8.00 | 34.69 | - |
| Snigdha Tiwari | 1.00 | 1.56 | - |
| Unsecured borrowing repaid during the year | | | |
| Sumit Tiwari | 48.00 | 3.30 | - |
| Snigdha Tiwari | 1.40 | 0.73 | 2.34 |
| Remuneration to | | | |
| Sumit Tiwari | 23.25 | 12.06 | 11.42 |
| Snigdha Tiwari | 11.61 | 7.31 | 7.34 |
| Akansha Jain | 3.10 | - | - |
| Sale of Services to | | | |
| Vrinda Nano Technologies Private Limited | 242.74 | 72.13 | 4.93 |
| Purchase of Services from | | | |
| Vrinda Nano Technologies Private Limited | 0.09 | 3.84 | - |
| Balance outstanding at year end | | | |
| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
| Share capital issued (including security premium) | | | |
| Sumit Tiwari | 153.30 | 34.85 | 34.85 |
| Snigdha Tiwari | 19.25 | 7.00 | 7.00 |
| Unsecured loan | | | |
| Sumit Tiwari | 0.10 | 40.10 | 8.71 |
| Snigdha Tiwari | 1.43 | 1.83 | 100 |

| | | | |
|--|-------|------|------|
| Remuneration payable | | | |
| Sumit Tiwari | 2.98 | - | 0.54 |
| Snigdha Tiwari | 0.85 | - | 0.28 |
| Akansha Jain | 0.66 | - | - |
| Receivable from | | | |
| Vrinda Nano Technologies Private Limited | 89.66 | 3.12 | 0.37 |
| | | | |

ANNEXURE X: STATEMENT OF DIVIDEND

No Dividend Paid till Date

ANNEXURE XI: CHANGES IN THE SIGNIFICANT ACCOUNTING POLICIES

There have been no changes in the accounting policies of the company for the period covered under audit.

ANNEXURE XII: CONTINGENT LIABILITIES

| Particulars | 31 March 2023 | 31 March 2022 | 31 March 2021 |
|--|------------------|------------------|------------------|
| a. Estimated amount of contracts remaining to be executed and not provided for | - | - | - |
| b. Claims against the Company not acknowledged as debt | - | - | - |
| c. Bank Guarantees | - | - | - |
| d. Outstanding Tax Demand with Respect to any Revenue Authorities | - | - | - |

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OTHER FINANCIAL INFORMATION

For details on other financial information please refer to Annexure-VI “Statement of Accounting & Other Ratios” As Restated on page 194 under the chapter titled “Financial Statements as Restated” beginning on page 164 of this Prospectus.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial year ended March 31, 2023, and for the financial year ended March 31, 2022, and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 164 of the Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 23 of this Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 13 of this Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Sungarner Energies Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Years 2023, 2022 & 2021 included in this Prospectus beginning on page 164 of this Prospectus.

BUSINESS OVERVIEW

Our Company was originally incorporated as a private limited Company under the Companies Act, 2013 in the name and style of "Sungarner Energies Private Limited" bearing corporate identification number U74900DL2015PTC279632, dated April 30, 2015 issued by the Registrar of Companies, Delhi. subsequently the Company altered its objects pursuant to a shareholders' resolution passed at an extra-ordinary general meeting held on January 31, 2022, and a certificate of confirming alteration of object clause dated February 27, 2020, was issued by Registrar of Companies, Delhi bearing corporate identification number U34100DL2015PTC279632. subsequently, the name of our company was changed to "Sungarner Energies Limited" pursuant to a shareholders' resolution passed at an annual general meeting held on September 30, 2022, and a fresh certificate of incorporation dated November 17, 2022 was issued by Registrar of Companies, Delhi bearing corporate identification number U34100DL2015PLC279632.

Our Company is offering wide range of power solutions such as Solar Power, UPS, Batteries, and Inverters. Our company is also engaged in the trading of solar panel business. We provide solutions, design and engineering services to our customers. Our Company leadership team consists of our promoters and other directors and KMPs who have a rich experience in the field of solar energy. This has made our company a highly acclaimed and trusted enterprise with a focus on innovation and sustained growth. We are having a professional managed team to execute our projects having vast techno-commercial knowledge and experience. Furthermore, our company also provide various kind of services such as Solar Power Plants Projects, Solar Power Generation System and Operation & maintenance thereof.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

As per mutual discussion between the Board of the Company and Lead Manager, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed resolution on February 03, 2023 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our company appointed Mr. Sumit Tiwari as Managing Director in the Extra-Ordinary General Meeting held on 30/12/2022.
- The shareholders of our Company appointed Mr. Amit Tiwari, as Non-Executive Director in the Extra Ordinary General Meeting held on 10/09/2022.
- The shareholders of our Company appointed Mr. Rajnish Gaur and Mrs. Sudha Singh, as Independent Directors in the Extra Ordinary General Meeting held on 29/11/2022.
- The board of directors in its meeting held on 18/11/2022 appointed Ms. Kavita Wadhwa as Company Secretary & Compliance officer of the Company & Mrs. Akansha Jain as Chief Financial officer of the Company.
- The board of directors in its meeting held on 06/07/2023 appointed Mr. Anup Kumar Pandey as Company Secretary & Compliance officer of the Company.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 23 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India ‘s economic and fiscal policies;
- Failure to adapt to the changing needs of industry;
- Volatility in the Indian and global capital market;

DISCUSSION ON RESULT OF OPERATION

(Amount in Lakhs)

| Particulars | For the year ended 31 March, 2023 | %age of Total Income | For the year ended 31 March, 2022 | %age of Total Income | For the year ended 31 March, 2021 | %age of Total Income |
|---|-----------------------------------|----------------------|-----------------------------------|----------------------|-----------------------------------|----------------------|
| Income | | | | | | |
| Revenue from Operations | 1731.80 | 98.10 | 793.79 | 99.51 | 536.43 | 100.00 |
| Other Income | 32.53 | 1.90 | 3.87 | 0.49 | - | 0.00 |
| Total Income (I + II) | 1765.33 | 100.00 | 797.66 | 100.00 | 536.43 | 100.00 |
| Expenditure | | | | | | |
| Cost of material Consumed | 1020.30 | 57.80 | 374.08 | 46.90 | 330.90 | 61.68 |
| Changes in Inventories | - | 0.00 | - | 0.00 | - | 0.00 |
| Employee benefits expenses | 277.86 | 15.74 | 189.31 | 23.73 | 107.56 | 20.05 |
| Other expenses | 308.17 | 17.46 | 135.85 | 17.03 | 60.49 | 11.28 |
| Total expenses | 1606.32 | 91.00 | 699.24 | 87.66 | 498.95 | 93.02 |
| Profit Before Interest, Depreciation and Tax | 159.00 | 9.00 | 98.42 | 12.34 | 37.48 | 6.99 |
| Depreciation & Amortisation Expenses | 11.14 | 0.63 | 6.87 | 0.86 | 6.09 | 1.13 |

| | | | | | | |
|---|---------------|-------------|--------------|--------------|--------------|-------------|
| Profit Before Interest and Tax | 147.87 | 8.38 | 91.55 | 11.48 | 31.39 | 5.85 |
| Financial Charges | 26.96 | 1.53 | 14.27 | 1.79 | 8.57 | 1.60 |
| Profit before Taxation | 120.90 | 6.85 | 77.28 | 9.69 | 22.82 | 4.25 |
| Provision for Taxation | 35.10 | 1.99 | 17.88 | 2.24 | 5.26 | 0.98 |
| Current tax for earlier year | 0.19 | 0.01 | - | - | - | - |
| Provision for Deferred Tax | 11.30 | 0.64 | 1.90 | 0.24 | 1.84 | - |
| MAT Credit Entitlement | - | - | - | 0.00 | - | 0.00 |
| Total tax expense | 46.59 | 2.64 | 19.78 | 2.48 | 7.10 | 1.32 |
| Profit After Tax but Before Extra-ordinary Items | 74.31 | 4.21 | 57.50 | 7.21 | 15.72 | 2.93 |
| Extraordinary Items | - | - | - | - | - | - |
| Profit Attributable to Minority Shareholders | - | - | - | - | - | - |
| Net Profit after adjustments | 74.31 | 4.21 | 57.50 | 7.21 | 15.72 | 2.93 |
| Net Profit Transferred to Balance Sheet | 74.31 | 4.21 | 57.50 | 7.21 | 15.72 | 2.93 |

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page 164 of the Prospectus

Overview of Revenue & Expenditure

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the Financial Year 2023, 2022 & 2021. Our revenue and expenses are reported in the following manner:

Revenues

◆ **Revenue of operations**

Our Company’s revenue is primarily generated from the business of Manufacturing of Solar inverter and batteries and trading of Solar panel. Further the Company is also engaged in the business of Providing various services such as Solar power Plant, Solar Power Generation System, Technical Services and Operation and Maintenance thereof.

◆ **Other Income**

Other Income Includes Interest Income, Service Charges, Profit on Sale of Assets and Discount Income.

Expenditure

Our total expenditure primarily consists of Cost of raw material consumed, Change in Inventories, Employee benefit expenses, and Other Expenses. We also have incurred financial charges and depreciation as expenditure, which we have shown separately from total expenditure.

◆ **Cost of raw material consumed**

We are into manufacturing and trading of our products through our distributors and stores. Therefore, we purchase various type of raw material for the manufacturing of our Products and providing services.

◆ **Changes in inventories**

The Changes in inventories is the change of opening and closing stock of the period.

◆ **Employment Benefit Expenses**

Our employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Remuneration to directors, Contribution to Provident and Other Fund, Staff welfare expenses etc.

◆ **Finance Cost**

It includes Interest Expense on Borrowings and other Financial Expenses.

◆ **Depreciation and Amortization Expenses**

Depreciation includes depreciation on Buildings, Plant & Equipment, Furniture & Fixtures, Office Equipments, Computers, Electrical Installation, etc.

◆ **Other Expenses**

Other Expenses includes majorly Advertisement Expenses, Business Support Services, Postage & Courier, Commission & Brokerage, Rental Expenses, Telephone Expenses, Consumables, Office Expenses, Repairs & Maintenance etc.

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

◆ **Total Income**

Total Income for the year ended March 31, 2023, stood at Rs. 1765.33 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 797.66 Lakhs representing an increase of 121.31%. There is increase in income as compare to the last financial year. As the Company has increase in revenue from operations. Segment wise comparison given below:

| Segment | 22-23 Rs. In lakhs | 21-22 Rs. In lakhs |
|--------------------|-----------------------|-----------------------|
| Manufacturing | 805.92 | 451.80 |
| Project | 452.04 | 191.68 |
| Service | 155.91 | 63.30 |
| Trading | 351.46 | 90.82 |
| Grand Total | 1765.33 | 797.60 |

◆ **Revenue of operations**

Net revenue from operations for the year ended March 31, 2023, stood at Rs. 1731.80 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 793.79 Lakhs representing an increase of 118.17%. Company has increased its revenue from the last year primarily due to increase export business, expansion of retail business and increase in the total income of the Company has disclosed in the above point.

◆ **Other Income**

Other Income for the year ended March 31, 2023, stood at Rs. 33.53 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 3.87 Lakhs representing a increase of 766% which was primarily as a result of a increase of insurance claim in and freight charges in period ended March 31, 2022.

Expenditure

◆ **Total Expenses**

Total Expenses for the year ended March 31, 2023, stood at Rs. 1,606.32 Lakhs whereas in Financial Year 2021-

22 it stood at Rs. 697.29 Lakhs representing an increase of 130.37%, generally in line with the increase in our revenue, primarily increased due

- i) to an increase in cost of raw materials,
- ii) employee benefit expenses and
- iii) other expenses.

◆ **Cost of raw material consumed**

Cost of raw material consumed for the year ended March 31, 2023, stood at Rs. 1020.30 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 374.08 Lakhs representing an increase of 172.55% The Cost of raw material increased due to increase in business volume and same is in line with turnover.

◆ **Changes in Inventories**

Changes in inventories of finished goods, work-in-progress and stock in trade. Our changes in inventories of work-in-progress and finished goods 209.83 Lakhs in Financial year 2021-22 whereas the same was increase by 375.76 Lakhs for the year ended March 31, 2023, primarily on account of:

- i) higher consumption of materials,
- ii) in line with the increase in business volumes
- iii) shortage of major raw material leads to stocking up of those raw material.

◆ **Employment Benefit Expenses**

Employee benefit expenses for the year ended March 31, 2023, stood at Rs. 277.86 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 189.31 Lakhs representing a increase of 46.78% which is due to increased annual merit increases, head count additions as well as increase in staff welfare expenses.

◆ **Other Expenses**

The Other Expenses for the year ended March 31, 2023, stood at Rs. 308.17 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 135.85 Lakhs representing an increase of 126.85% it increases primarily on account of:

- i) an increase in freight outwards,
- ii) professional charges,
- iii) travelling and conveyance and
- iv) business promotion expenses.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the year ended March 31, 2023, stood at Rs. 11.14 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 6.87 Lakhs representing an increase of 62.15%. It is generally on account of incremental depreciation on additions to fixed assets.

◆ **Finance Cost**

Finance Cost for the year ended March 31, 2023, stood at Rs. 26.96 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 14.27 Lakhs representing an increase of 88.93% which was due to increase in interest cost as our working capital Overdraft limit was increased from 229 Lakhs to 400 Lakhs.

◆ **Restated Profit before Tax**

The restated profit before tax for the year ended March 31, 2023, stood at Rs. 120.90 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 77.28 Lakhs representing an increase of 56.44%. This increase is due to increase in turnover and various reasons discussed in all above points.

◆ **Restated Profit after Tax**

The restated profit after tax for the year ended March 31, 2023, stood at Rs. 74.31 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 57.50 Lakhs representing an increase by 29.23%

DETAILS OF FINANCIAL YEAR 2022 COMPARED TO FINANCIAL YEAR 2021 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

◆ Total Income

Total Income for the Financial Year 2021-22, it stood at Rs. 797.66 Lakhs whereas in Financial Year 2020-21 it stood at Rs. 536.43 Lakhs representing an increase of 48.70%. There is increase in income as compare to the last financial year. As the Company has initiated its export sales of 173.17 Lakhs and increase in revenue from operations. Segment wise revenue comparison are given below: -

(Rs. In lakhs)

| Sector | 21-22 | 20-21 |
|---------------|--------|--------|
| Manufacturing | 451.80 | 340.09 |
| Project | 191.68 | 179.37 |
| Service | 63.30 | 16.02 |
| Trading | 90.82 | 0.06 |
| Grand Total | 797.60 | 535.55 |

◆ Revenue of operations

Net revenue from operations For the Financial Year 2021-2022 stood at Rs. 793.79 Lakhs. Whereas For the Financial Year 2020-21, it stood at 536.43 Lakhs representing increase of 47.98%. Company has increased its revenue from the last year primarily as the Company has initiated its:

- i) Increase in export sales
- ii) Increase in sale of products and sale of services.
- iii) Increase in Total Income of the Company

◆ Other Income

Other Income for the Financial Year 2021-2022 stood at Rs. 3.87 Lakhs. Whereas For the Financial Year 2020-21, it stood at Nil representing an increase of 100.00% which was primarily due to no insurance claim or any other income received in F.Y.2020-21.

Expenditure

◆ Total Expenses

Total Expenses for the Financial Year 2021-2022 stood at Rs. 699.24 Lakhs. Whereas For the Financial Year 2020-21, it stood at 498.95 Lakhs representing increase of 40.14% generally in line with the increase in our revenue and primarily due to:

- i) an increase in cost of raw materials,
- ii) changes in inventories of finished goods,
- iii) work-in-progress and stock in trade, and
- iv) employee benefit expenses

◆ Cost of Material consumed

Cost of Material Consumed for the Financial Year 2021-2022 stood at Rs. 374.08 Lakhs. Whereas For the Financial Year 2020-21, it stood at 330.90 Lakhs representing increase of 13.05%. The Cost of raw material increased due to increase in business volume and same is in line with turnover.

◆ **Changes in Inventories**

Changes in inventories of finished goods, work-in-progress and stock in trade. Our changes in inventories of work-in-progress and finished goods 209.83 Lakhs in Financial year 2021-22 Whereas for the Financial Year 2020-21, it stood at 79.68 Lakhs, primarily on account of:

- i) higher consumption of materials,
- ii) in line with the increase in business volumes and
- iii) shortage of major raw material leads to stocking up of those raw material.

◆ **Employment Benefit Expenses**

Employee benefit expenses For the Financial Year 2021-2022 stood at Rs. 189.31 Lakhs. Whereas for the Financial Year 2020-21, it stood at 107.55 Lakhs representing increase of 76.02%. Employment benefit expenses increased due to increased annual merit increases, head count additions as well as increase in staff welfare expenses.

◆ **Other Expenses**

The Other Expenses for the Financial Year 2021-2022 stood at Rs. 135.85 Lakhs. Whereas for the Financial Year 2020-21, it stood at 60.50 Lakhs representing increase of 124.55%, it increases primarily on account of:

- i) an increase in freight outwards,
- ii) professional charges,
- iii) travelling and conveyance and
- iv) business promotion expenses.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2021-2022, stood at Rs. 6.87 Lakhs whereas in Financial Year 2020-21 it stood at Rs. 6.09 Lakhs representing an increase of 12.83%. It is generally in line with increase in Fixed assets from 132.72 Lakhs to 164.97 Lakhs.

◆ **Finance Cost**

Finance Cost for the Financial Year 2021-2022, stood at Rs. 14.27 Lakhs whereas in Financial Year 2020-21 it stood at Rs. 8.57 Lakhs representing an increase of 66.51%, it primarily due to increase in loan amount from 78.32 Lakhs to 170.02 Lakhs.

◆ **Restated Profit before Tax**

The restated profit before tax For the Financial Year 2021-2022 stood at Rs. 77.28 Lakhs. Whereas For the Financial Year 2020-21, it stood at 22.82 Lakhs, representing increase of 238.66%.

◆ **Restated Profit after Tax**

The restated profit after tax For the Financial Year 2021-2022 stood at Rs. 57.50 Lakhs. Whereas For the Financial Year 2020-21, it stood at 15.72 Lakhs, representing increase of 265.78%

INFORMATION REQUIRED AS PER ITEM (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled Risk Factors beginning on page 23 of this Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in this Prospectus, particularly in the sections Risk Factors and Management 's Discussion and Analysis of Financial Condition and Results of Operations on pages 23 and 200, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations

4. Income and Sales on account of major product/main activities

Income and sales of our Company on account of major activities derives from the business of manufacturing & trading of Solar Inverter & Batteries.

5. 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.

Our Company's future costs and revenues can be impacted by an increase in labour costs as the company looks to hire talent with new skills and capabilities for the digital economy who may be in short supply.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in our revenues are by and large linked to increases in the volume of business.

8. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in Solar Power, Batteries, Inverter and Electric equipments. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 85 of this Prospectus.

9. Status of any publicly announced new products or business segments

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Prospectus.

10. The extent to which the business is seasonal.

Our business is not seasonal in nature.

11. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 103 of this Prospectus.

FINANCIAL INDEBTNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 31, 2023 our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs 419.37 lakhs and Unsecured Loan aggregating to Rs. 4.75 lakhs, as per the certificate issued by M/s Kapish Jain & Associates, Chartered Accountants, dated August 03, 2023.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a Consolidated basis as of March 31, 2023:

A. Secured Loans

| Name of Lender | Purpose | Sanctioned Amount (Rs.) | Outstanding As on 31/03/2023 |
|----------------|---------------|-------------------------|------------------------------|
| ICICI Bank | Overdraft | 4,00,00,000 | 3,90,94,882 |
| ICICI Bank | ECLGS Loan | 11,90,000 | 8,24,994 |
| ICICI Bank | Vehicle Loan* | 21,00,000 | 20,17,129 |
| Total | | | 4,19,37,005 |

1. ICICI Bank:

| | |
|-----------------------------|--|
| Facility | Working Capital |
| Overall Loan Limit | Overall limit is 4,00,00,000 which can be used as Overdraft or Export Packing Credit (EPC) or Packing credit in Foreign Currency (PCFC) or Foreign Usance Bills Discounted (FUBD) or Foreign Bills Purchased (FBP) or Post Shipment Credit in Foreign Currency (PSFC) with interchange ability facility. |
| Date of Sanction | 26/09/2022 |
| Interest | Repo Rate 5.40%+ Spread 3% |
| Repayment | On demand |
| Primary Security | Hypothecation of Stocks, Receivables and all current assets of the company, both present and future. |
| Collateral Security: | Equitable Mortgage of factory premises at Plot No. 113 , Udyog Kendra, Extension 2, Ecotech 3, Greater Noida, Noida, Uttar Pradesh, India 201306 |
| Personal Guarantee | Mr. Sumit Tiwari and Mrs. Snigdha Tiwari |

| | |
|---------------------------|---|
| Facility | Emergency Credit Line Guarantee Scheme |
| Overall Loan Limit | 11,90,000 |
| Date of Sanction | 26/09/2022 |
| Interest | EBLR+0.15% with a maximum of 9.25% |
| Moratorium Period | Not Applicable, since moratorium period has already been expired with existing banker & loan is proposed to be taken over for residual period |
| Tenor | The principal amount of the Facility shall be repaid in 36 structured monthly installments. |

| | |
|-----------------------------|--|
| Repayment | 36 months from date of first disbursement. |
| Primary Security | Hypothecation of Stocks, Receivables and all current assets of the company, both present and future. |
| Collateral Security: | Equitable Mortgage of factory premises at Plot No. 113 , Udyog Kendra, Extension 2, Ecotech 3, Greater Noida, Noida, Uttar Pradesh, India 201306 |
| Personal Guarantee | Mr. Sumit Tiwari and Mrs. Snigdha Tiwari |

| | |
|-----------------------------|---|
| Facility | Vehicle Loan |
| Overall Loan Limit | 21,00,000 |
| Date of Sanction | 05/12/2022 |
| Interest | 8.50% |
| Moratorium Period | Not Applicable |
| Tenor | The principal amount of the Facility shall be repaid in 60 structured monthly installments. |
| Repayment | 60 months from date of first disbursement. |
| Primary Security | Hypothecation of respective vehicle. |
| Collateral Security: | Not Applicable |
| Personal Guarantee | Not Applicable |

B. Unsecured Loans

| Name of Lender | Purpose | Date of Sanctioned | Repayment Terms | Sanctioned Amount (Rs.) | Outstanding As on 31/03/2023 |
|--------------------------|----------------|---------------------------|------------------------|--------------------------------|-------------------------------------|
| Bajaj Finance Ltd | Business | 26.04.2022 | 48 Months | 23,28,498 | 3,21,446 |
| Term Loan from Directors | Business | NA | On Demand | NA | 1,53,110 |
| | | | | | 4,74,556 |

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SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.



Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Prospectus.

I. Litigations involving our Company

A. Against our Company: Nil

B. By our Company: Nil

II. Litigations involving our Promoters/Directors

A. Against our Promoters/Directors: Nil

B. By our Promoters/Directors: Nil

III. Litigations involving our Group Entities

A. Against our Group Entities: Nil

B. By our Group Entities: Nil

IV. Litigations relating to the Subsidiary Company

A. Against Directors of our Subsidiary Company: Nil

B. By Directors of our Subsidiary Company: Nil

Note: Our Company has no Subsidiary Company as on the date of this Prospectus.

V. Other litigations involving any other entities which may have a material adverse effect on our Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

VI. Details of the past penalties imposed on our Company / Directors

Except as disclosed above as on the date of this Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on March 31, 2023 our Company had outstanding dues to creditors as follows:

(Amount in Lakh)

| Particulars | 31.03.2023 |
|-------------------------------------|---------------|
| Trade Payables | |
| Micro, Small and Medium Enterprises | 84.84 |
| Others | 59.04 |
| Total | 143.88 |

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

VIII. Material developments occurring after last balance sheet date, that is, March 31, 2023.

Except as disclosed in the section titled –Management's Discussion and Analysis of Financial Condition and Results of Operations of our Company beginning on page number 200 of this Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

We certify that except as stated herein above:

- a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. There are no litigations against the Promoters / Directors in their personal capacity.
- g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- h. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the



past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.

- i. There are no the status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- j. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- k. Neither the Company nor any of its promoters or directors is a willful defaulter.

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GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 123 of the Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on February 03, 2023 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated February 06, 2023 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated July 18, 2023 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated December 19, 2022, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. The Company has also entered into an agreement dated December 16, 2022, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE003O01017.

INCORPORATION DETAILS OF OUR COMPANY

| S.N. | Authorisation granted | Issuing Authority | CIN | Date of Issue | Valid upto |
|------|--|-------------------|-----------------------|-------------------|------------|
| 1. | Certificate of Incorporation in the name of “Sungarner Energies Private Limited” | ROC, Delhi | U74900DL2015PTC279632 | April 30, 2015 | Perpetual |
| 2. | Certificate of Incorporation for | ROC, Delhi | U34100DL2015PLC279632 | November 17, 2022 | Perpetual |

| S.N. | Authorisation granted | Issuing Authority | CIN | Date of Issue | Valid upto |
|------|---|-------------------|-----|---------------|------------|
| | conversion from Private to Public company in the name of “SunGarner Energies Limited” | | | | |

TAX RELATED AUTHORISATIONS OF COMPANY

| S.No. | Authorization granted | Issuing Authority | Registration No. /Reference No. /License No. | Date of Issue | Validity |
|-------|--|---|--|-------------------|--------------------------|
| 1. | Permanent Account Number | Income Tax Department, GOI | AAVCS7116F | July 18, 2015 | Perpetual |
| 2. | Tax Deduction Account Number | Income Tax Department, GOI | MRTS15319D | August 07, 2018 | Perpetual |
| 3. | Details of GST registration of the Company | | | | |
| | GST Registration Certificate (Uttar Pradesh) | Centre Goods and Services Tax Act, 2017 | 09AAVCS7116F1ZW | November 18, 2017 | Valid until cancellation |
| 4. | Importer-Exporter Code | Ministry of Commerce and Industry | AAVCS7116F | 30/01/2018 | - |
| 5. | Certificate of Establishment | Department of Labour | 2022319622 | 07/11/2022 | - |

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

| S.N. | Authorization granted | Issuing Authority | Registration No./ Reference No./ License No. | Date of Issue | Valid upto |
|------|--|---|--|-------------------|--------------------------|
| 01. | Factory License | Labour Department, Uttar Pradesh | UPFA10005987 | November 03, 2022 | November 02, 2023 |
| 02. | Udyam Registration Certificate (MSME) | Ministry of Micro, Small & Medium Enterprises | UP28A0010881 | May 13, 2021 | Valid until cancellation |
| 03. | ISO 9001:2015 (Quality Management System) | PSA Quality Certification Limited | QSM/SEP/318/4886 | August 28, 2022 | August 28, 2025 |
| 04. | ISO 14001:2015 (Environment Management System) | PSA Quality Certification Limited | EMS/SEP/318/4888 | August 28, 2022 | August 28, 2025 |

| | | | | | |
|-----|---|-----------------------------------|--------------------|-----------------|--------------------|
| 05. | OHSAS 45001 (Occupational Health and Safety Management System) | PSA Quality Certification Limited | EMS/SEP/318/4888 | August 28, 2022 | August 28, 2025 |
| 06. | WMI (World Manufacturer Identifier) | Bureau of Indian Standards | WMI Code: MD9 | April 13, 2020 | Until Cancellation |
| | | | WMI Extension: 603 | | |

NO OBJECTION CERTIFICATE (NOC) FROM AUTHORITIES

| Sr.No. | PARTICULARS | ISSUING AUTHORITY | ISSUE DATE |
|--------|-----------------------|---------------------------------------|------------|
| 01. | Pollution Certificate | Uttar Pradesh Pollution Control Board | 18/11/2022 |

Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/ Licenses required for the proposed expansion.

Note: Some of the approvals are in the name of Sungarner Energies Private Limited and the Company is in the process of taking all the approval in the new name of the Company i.e. Sungarner Energies Limited.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on February 03, 2023.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on February 06, 2023, and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated July 18, 2023 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Prospectus through its resolution dated August 12, 2023.
5. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page number 214 of this Prospectus.

PROHIBITION BY SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

We confirm that none of our Directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the Company's post issue paid-up capital is less than 10.00 Crore Rupees. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “General Information” Underwriting on page 46 of this Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 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 (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Lead Manager shall ensure that the Issuer shall file a copy of the Draft Prospectus/Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus/Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “General Information”, “Details of the Market Making Arrangements for this Issue” on page 46 of this Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board;
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, None of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board;
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.

- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

NSE ELIGIBILITY NORMS:

1. The Company has been incorporated under the Companies Act, 2013 in India.
2. The post issue paid up capital of the Company (face value) will not be more than Rs. 10.00 Crore Rupees.
3. **Track Record:**
 - a. **The Company should have a track record of at least 3 (three) years.**
Our Company was incorporated on April 30, 2015 under the provisions of Companies Act, 2013, therefore we are in compliance of the track record.
 - b. The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive

(Rs. In Lakh)

| Particulars | 2022-2023 | 2021-2022 | 2020-21 |
|---|-----------|-----------|---------|
| Operating profit (earnings before interest, depreciation and tax) | 159.00 | 98.42 | 37.48 |
| Net-worth | 320.54 | 156.23 | 98.73 |

Other Requirements

- The company shall mandatorily facilitate trading in demat securities and will entered into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website: www.sungarner.com
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against our Company that has been accepted by a court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

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, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS 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 THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MANAGER FAST TRACK FINSEC PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN 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 PROSPECTUS, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, 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, FAST TRACK FINSEC PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 11, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.ftfinsec.com & www.sungarner.com would be doing so at his or her own risk.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Lead Manager shall make all information available 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 centers, *etc.* The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Lead Manager 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.

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 authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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 New Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE

NSE Limited (NSE) has given vide its letter dated July 18, 2023 permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to

be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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

TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the Lead Manager

to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to “Annexure A” to the Prospectus and the website of the Lead Manager at www.ftfinsec.com

Price Information and the Track Record of the Past Issues Handled by the Lead Manager:

ANNEXURE-A
Disclosure of Price Information of Past Issues Handled by Merchant Banker(s)

TABLE 1

| S.No. | Issue Name | Issue Size (Rs. in Cr.) | Issue Price (Rs.) | Listing Date | Operating 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 | Pearl Green Clubs and Resorts Limited | 11.71 | 186.00 | July 07, 2022 | 198.50 | 3.27 | (0.50) | (2.92) |
| | | | | | | 11.95 | 45.52 | 102.80 |
| 2 | Globesecure Technologies Limited | 10.12 | 29.00 | June 02, 2022 | 37.10 | 212.94 | 313.07 | 125.47 |
| | | | | | | (5.35) | 14.94 | 38.57 |
| 3 | Jeena Sikho Lifecare Limited | 55.50 | 150.00 | April 19, 2022 | 173.35 | (12.69) | (18.16) | (15.17) |
| | | | | | | (2.42) | (7.09) | 22.78 |
| 4 | SBL Infratech Limited | 2.37 | 111.00 | September 28, 2021 | 125.00 | (55.20) | (64.8) | (47.72) |
| | | | | | | (0.53) | (3.77) | (3.48) |
| 5 | Kranti Industries Limited | 2.09 | 37.00 | February 28, 2019 | 36.95 | (1.22) | 2.84 | (12.04) |
| | | | | | | (8.38) | 1.62 | (3.16) |
| 6 | Goblin India Limited | 15.20 | 52.00 | October 15, 2021 | 56.60 | 125.71 | 80.21 | (27.20) |
| | | | | | | 4.62 | 8.70 | (20.29) |
| 7 | Ascom Leasing and Investments Limited | 6.32 | 30.00 | December 06, 2019 | 30.00 | 5.00 | 0.00 | 15.83 |
| | | | | | | (0.60) | (5.47) | (15.60) |
| 8 | Trekkingtoes.Com Limited | 4.54 | 105.00 | August 28, 2020 | 99.75 | (55.59) | (59.90) | (67.92) |
| | | | | | | (3.77) | 12.14 | 28.67 |

All share price data is from www.bseindia.com and www.nseindia.com

Note:

- * The S&P, SME IPO, Sensex and CNX Nifty are considered as the Benchmark Index.
- * Prices on BSE/NSE are considered for all of the above calculations.
- * In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- * In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

TABLE 2

Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total Amount of Funds raised (Rs. Cr.) | No. of IPOs trading at discount-30th calendar days from listing | | | No. of IPOs trading at premium-30th calendar days from listing | | | No. of IPOs trading at discount-180th calendar days from listing | | | No. of IPOs trading at premium-180th calendar days from listing | | |
|----------------|-------------------|--|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | 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 | Nil | - | - | - | - | - | - | - | - | - | - | - | - |
| 2022-23 | 3 | 77.32 | - | - | 1 | 1 | - | 1 | - | - | 2 | 1 | - | - |
| 2021-22 | 1 | 2.37 | 1 | - | - | - | - | - | - | 1 | - | - | - | - |

| | | | | | | | | | | | | | | |
|---------|---|-------|---|---|---|---|---|---|---|---|---|---|---|---|
| 2020-21 | 1 | 4.54 | 1 | - | - | - | - | - | 1 | - | - | - | - | - |
| 2019-20 | 2 | 21.52 | 1 | - | 1 | - | - | - | - | 1 | 1 | - | - | - |
| 2018-19 | 1 | 2.09 | - | - | 1 | - | - | - | - | - | 1 | - | - | - |

*Upto the date of this Prospectus

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. NSE/LIST/2272 dated July 18, 2023.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

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 Limited mentioned above are taken within six Working Days from the Offer Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

- a. makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- b. otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”*

CONSENTS

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Lead Manager, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Prospectus with NSE.

EXPERT OPINION

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Peer Review Auditors for period ended 31st March, 2023, 31st March, 2022 & 2021. our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an –Initial Public Offering in terms of the SEBI ICDR Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled “Capital Structure” beginning on page 54 of the Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Prospectus.

PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF OUR COMPANY

Our Company has not undertaken any public or rights issue since incorporation preceding the date of this Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY

As on the date of the Prospectus, our Company does not have any subsidiary company.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

OPTION TO SUBSCRIBE

Equity Shares being offered through this Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Anup Kumar Pandey as the Company Secretary and Compliance Officer and may be contacted at the following address:

Sungarner Energies Limited

1/5322, S/F, Plot No. 19A, Gali No.13,
Balbir Nagar Ext., New Delhi- 110032, India
Tel. +917428296411;
E-mail: legal@sungarner.com; cfo@sungarner.com
Website: www.sungarner.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

SECTION VIII – ISSUE INFORMATION

TERMS OF THE 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 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 SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

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.

THE OFFER

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in “Objects of the Issue” on page 69 of this Prospectus.

RANKING OF EQUITY SHARES

The Equity Shares being Offered/Alloted 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 Allotees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power 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 03, 2023 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 EGM of the Company held on February 06, 2023.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 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. Dividends,

if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on pages 163 of this Prospectus.

FACE VALUE AND ISSUE PRICE

The face value of each Equity Share is Rs.10/-. The Issue Price of Equity Shares is Rs. 83/- per Equity Share. The Issue Price shall be determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "Basis of Issue Price" beginning on page 74 of this 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 and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Main Provisions of Articles of Association" on page 263 of this Prospectus.

ALLOTMENT ONLY IN DEMATERIALISED FORM

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 will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Prospectus:

- Tripartite agreement dated December 19, 2022 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated December 16, 2022 among NSDL, our Company and the Registrar to the Issue.

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 a body corporate can 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 2000 Equity Shares and the same may be modified by the NSE 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 2000 Equity Shares subject to a minimum allotment of 2,000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MARKET LOT AND TRADING LOT

Since the trading of Equity shares is in dematerialised form, the tradable lot is One Equity Share. Allotment in this offer will be in multiples of one Equity Share subject to minimum Allotment of 1600 Equity Shares. For further details, see “Issue Procedure” on page 234 of this Prospectus.

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 four (4) 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/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the 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, Promoters' minimum contribution as provided in Capital Structure on page 54 of this 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 Main Provisions of Articles of Association on page 263 of this 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the 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.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of 2,000 Equity Shares. 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.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs

registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, 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 Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant 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 the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company 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.

MINIMUM SUBSCRIPTION

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 46 of this Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Period of Subscription List of the Public Issue

| Event | Indicative Date |
|---|-----------------|
| Offer Opening Date | 21.08.2023 |
| Offer Closing Date | 23.08.2023 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | 28.08.2023 |
| Initiation of Refunds | 29.08.2023 |
| Credit of Equity Shares to Demat Accounts of Allottees | 30.08.2023 |
| Commencement of trading of the Equity Shares on the Stock Exchange | 31.08.2023 |

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder and the Lead Manager. Whilst our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Selling Shareholder confirm that they shall extend complete co-operation required by our Company and the Lead Manager for the completion of the Sungarner Energies Limited Prospectus, necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Offer Closing Date, or within such other period as may be prescribed.

MIGRATION TO MAIN BOARD

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 NSE 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 Rs. 10 Crores but below Rs. 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.*

MARKET MAKING

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge 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 Limited. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 46 of this Prospectus.

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 chapter Capital Structure beginning on page 54 of this 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the 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.

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 StockExchange. 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.

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ISSUE PROCEDURE

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 the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and 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 Prospectus.

Pursuant to the SEBI ICDR Regulations, the ASBA process is mandatory for all investors excluding Anchor Investors and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Application forms. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process.

Applicants are required to submit their Applications to the SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to an Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the 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 Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the 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 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 UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual applicant, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b. Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries 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.
- c. Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed ICICI Bank Limited as the 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 Investors into the UPI mechanism.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Offer. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|---|----------------------------|
| Resident Indians 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 |

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus.

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.

- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained;
- ii. A syndicate member (or sub-syndicate member);
- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker);
- iv. A depository participant (DP) (Whose name is mentioned on the website of the stock exchange as eligible for this activity);
- v. A registrar to an issuer and share transfer agent (RTA) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|--|--|
| For Applications submitted by investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For Applications submitted by investors to intermediaries other than SCSBs: | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;

- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- 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);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and The Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE Limited i.e. <https://www.nseindia.com/>.

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.



The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATIONS BY ELIGIBLE NRI

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with a income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non- Residents (blue in color).

APPLICATIONS BY ELIGIBLE FIIs/FPIs

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, 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 that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURECAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.



The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity



shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications 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 Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 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.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves

the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 1,600 Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 1,600 Equity Shares.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 1,600 Equity Shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants 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 Prospectus.

INFORMATION FOR THE APPLICANTS:

- a) Our Company will file the Prospectus with the Registrar of Companies, Delhi & Haryana, atleast 3 (three) days before the Issue Opening Date.
- b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office or from the office of the LM.
- c) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
- d) Applications made in the name of minors and/ or their nominees shall not be accepted.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE Limited i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as Demographic Details'). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to



provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE. 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).
 - a) For applications where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:
 1. Each successful applicant shall be allotted 1,600 equity shares; and
 2. 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.
 - b) If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,600 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.
 - c) If the Shares allotted 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. If as a result of the process of rounding off to the nearest multiple of 2,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
 - d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 2. The balance net offer of shares to the public shall be made available for allotment to
 - a) Individual applicants other than retails individual investors and

- b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor⁴ means an investor who applies for shares of value of not more than Rs. 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 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.

TERMS OF PAYMENT

The entire Issue price of Rs. 83/- 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 or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank 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 or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular

(SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, may use UPI.

ELECTRONIC REGISTRATION OF APPLICATIONS

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities on a regular basis before the closure of the issue.

On the Issue Closing Date, the Designated Intermediaries may upload the applications till such time as may be permitted by the Stock Exchange.

c) Only Applications that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange send the application information to the Registrar to the Issue for further processing.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- All Applicants should submit their application through ASBA process only.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.

- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission

of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUND FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;

- Applications for number of Equity Shares which are not in multiples of 1,600;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or –qualified institutional buyers as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) 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 a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated March 04, 2022 this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the Registrar of Companies, Delhi and in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, shall be in the format prescribed in Part A of Schedule VI of the SEBI Regulations.

ISSUANCE OF ALLOTMENT ADVICE

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their respective depository participants to accept the equity shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

DESIGNATED DATE

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the 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.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the Lead Managers 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.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares offered through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

DISPOSAL OF APPLICATION AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY

The company shall ensure the dispatch of allotment advice, instruction to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the stock exchange within one (1) working day of the date of allotment of equity shares.

The company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge platform of NSE, where the equity shares are proposed to be listed are taken with six (6) working days of the closure of the issue.

MODE OF REFUNDS

a) In case of ASBA Applicants: Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the applicant on account of conversion of foreign currency.

c) In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the applicant as obtained from the Depository

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants' through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Investors' account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Investors may refer to Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

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 in accordance with applicable law. 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 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure

Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LM, 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. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval of the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement dated December 19, 2022 between NSDL, the Company and the Registrar to the Issue;
- (b) We have entered into tripartite agreement dated December 16, 2022 between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an ISIN INE003O01017.

- 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.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated intermediary to the Issue where the Application 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.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKEDACCOUNT) APPLICANTS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (ASBA Account) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA



Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue. The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.



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 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.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the 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 Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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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ISSUE STRUCTURE

This Offer has been made in terms of Regulation 229(1) of Chapter IX of SEBI ICDR Regulations whereby, our post-Offer face value capital does not exceed ten crore rupees. The Company shall issue specified securities 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 Limited). For further details regarding the salient features and terms of such Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 227 and 234 of this Prospectus.

PRESENT ISSUE STRUCTURE

Initial Public Offering of up to 6,40,000 Equity Shares of Rs. 10/- each ("Equity Shares") of Sungarner Energies Limited ("SEL" or the "company") for cash at a price of Rs. 83/- per equity share (the "Issue Price"), aggregating to Rs. 531.20 Lakhs ("The Issue"). Out of the Issue, 57,600 equity shares aggregating to Rs. 47.80 Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The offer less the Market Maker Reservation Portion i.e. Issue of 5,82,400 equity shares of face value of Rs. 10.00/- each at an issue price of Rs. 83/- per equity share aggregating to Rs. 483.39 Lakhs is hereinafter referred to as the "Net Issue". The offer and the net offer will constitute 27.60% and 25.12%, respectively of the Post Issue paid up equity share capital of our company.

| Particulars of the Issue | Net Issue to Public | Market Maker Reservation Portion |
|---|---|---|
| Number of Equity Shares available for allocation | 5,82,400 | 57,600 |
| Percentage of Issue Size available for allocation | 2,91,200 (50.00% to Retail Individual Investors and the balance 50.00% to other Investors) | 57,600 |
| Basis of Allotment | Proportionate subject to minimum allotment of 1600 Equity Shares and further allotment in multiples of 1600 Equity Shares each. For further details please refer to the "Basis of Allotment" on page 246 of this Prospectus | Firm Allotment |
| Mode of Application | All the Applicants must compulsorily apply through the ASBA Process or through UPI for Retail Investors. | Through ASBA Process Only. |
| Minimum Application Size | For QIB and NII: Such Number of Equity Shares in multiples of 1600 equity shares such that the application value exceeds Rs. 2,00,000. For Retails Individuals: 1600 Equity Shares | Application size shall be 1600 equity shares since there is firm allotment. |
| Maximum Application Size | For QIBs and NII: 5,82,400 For Retails Individuals: 1600 Equity Shares | Application size shall be 57,600 equity shares since there is a firm allotment. |
| Mode of Allotment | Dematerialized Form | Dematerialized Form |

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| Trading Lot | 1600 Equity Shares | 1600 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| Terms of Payment | The entire Application Amount will be payable at the time of submission of the Application Form. | The entire Application Amount will be payable at the time of submission of the Application Form. |

Note:

1. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Issue Price (in Rs.) | Lot Size (No. of shares) |
|-------------------------|--------------------------|
| Upto 14 | 10000 |
| More than 14 upto 18 | 8000 |
| More than 18 upto 25 | 6000 |
| More than 25 upto 35 | 4000 |
| More than 35 upto 50 | 3000 |
| More than 50 upto 70 | 2000 |
| More than 70 upto 90 | 1600 |
| More than 90 upto 120 | 1200 |
| More than 120 upto 150 | 1000 |
| More than 150 upto 180 | 800 |
| More than 180 upto 250 | 600 |
| More than 250 upto 350 | 400 |
| More than 350 upto 500 | 300 |
| More than 500 upto 600 | 240 |
| More than 600 upto 750 | 200 |
| More than 750 upto 1000 | 160 |
| Above 1000 | 100 |

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

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| ISSUE OPENING DATE | 21.08.2023 |
| ISSUE CLOSING DATE | 23.08.2023 |

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e. QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by Lead Manager to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

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| <p>THE COMPANIES ACT 2013 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF SUNGARNER ENERGIES LIMITED</p> | |
| <p>Preliminary</p> | |
| <p>Subject as hereinafter provided the Regulations contained in Table ‘F’ in the Schedule I to the Companies Act, 2013 shall apply to the Company.</p> | |
| <p>Interpretation</p> | |
| <p>1.</p> | <p>In these regulations: (a) “The Act” means the Companies Act, 2013, (b) “The Seal” means the common seal of the company. (c) “The Year” means 1st April to 31st March respectively. (d) “Seal” means the Common Seal of the Company.</p> |
| <p>2.</p> | <p>Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.</p> |
| <p>Public Company</p> | |
| <p>3.</p> | <p>As per Section 2(71) of the Companies Act, 2013 “Public company” means a company which a) Is not a Private Company</p> <p style="padding-left: 40px;">Provided that a Company which is a subsidiary of a Company, not being a Private Company, shall be deemed to be a Public Company for the purpose of this Act even where such Subsidiary Company continues to be a Private Company in its articles;</p> |
| <p>II.</p> | |
| <p>Share capital and in variation of rights</p> | |
| <p>1.</p> | <p>Subject to the provisions of the Act and these Articles, the shares the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.</p> |
| <p>2.</p> | <p>(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:</p> <p style="padding-left: 40px;">(a) one certificate for all his shares without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.</p> <p>(ii) The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p> <p>(iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> |

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| | (iv) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. |
| 3. | (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem ad equate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company. |
| 4. | Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. |
| 5. | (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other. |
| 6. | (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one- third of the issued shares of the class in question. |
| 7. | The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith. |
| 8. | Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine. |
| 9. | Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered in compliance with the relevant provisions of Companies Act, 2013 and any other applicable law. |
| 10. | The Company in general meeting may decide to issue fully paid up bonus share to the members if so recommended by the Board of Directors. |
| Dematerialisation of Shares | |
| 11. | I. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act. II. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall |

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| | <p>enter in its records the name of the allottee as the Beneficial Owner of the Security.</p> <p>III. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.</p> <p>IV. In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.</p> <p>Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 and any other applicable section as amended of the Depositories Act shall apply so far as applicable.</p> <p>V. Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.</p> <p>VI. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.</p> |
| Lien | |
| <p>12.</p> | <p>(i) The company shall have a first and paramount lien—</p> <p>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:</p> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>Every fully paid share shall be free from all lien and that in the case of partly paid shares the issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares.</p> <p>(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p> |
| <p>13.</p> | <p>The company may sell, in such manner as the Board thinks fit, any shares on which the company has lien:</p> <p>Provided that no sale shall be made—</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p> |
| <p>14.</p> | <p>(i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> |

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| | (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. |
| 15. | (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. |
| Calls on shares | |
| 16. | (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares. (iii) A call may be revoked or postponed at the discretion of the Board. |
| 17. | A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installment. |
| 18. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. |
| 19. | (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent per annum or at such lower rate, if any, as the Board may determine. (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part. |
| 20. | (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. |
| 21. | The Board— (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance. |
| Transfer of shares | |
| 22. | (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. |
| 23. | The Board may, subject to the right of appeal conferred by section 58 decline to register— (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the company has a lien. (c) Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any |

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| | <p>other person or persons indebted to the Company on any account whatsoever.</p> <p>(d) The common form of transfer shall be used by the Company.</p> |
| 24. | <p>The Board may decline to recognise any instrument of transfer unless—</p> <p>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p> |
| 25. | <p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p> |
| Transmission of shares | |
| 26. | <p>(i). On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.</p> <p>(ii). Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p> |
| 27. | <p>(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>(a) to be registered himself as holder of the share; or</p> <p>(b) to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p> |
| 28. | <p>(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.</p> <p>(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p> |
| 29. | <p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p> |
| Forfeiture of shares | |
| 30. | <p>If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time there after during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.</p> |
| 31. | <p>The notice aforesaid shall—</p> |

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| | <p>(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</p> <p>(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.</p> |
| 32. | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. |
| 33. | <p>(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</p> <p>(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p> |
| 34. | <p>(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.</p> <p>(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.</p> |
| 35. | <p>(i) A duly verified declaration in writing that the Declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.</p> <p>(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.</p> <p>(iii) The transferee shall thereupon be registered as the holder of the share.</p> <p>(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</p> |
| 36. | The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| Alteration of capital | |
| 37. | The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. |
| 38. | <p>Subject to the provisions of section 61, the company may, by ordinary resolution,—</p> <p>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.</p> |
| 39. | <p>Where shares are converted into stock:</p> <p>(a) 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:</p> <p>Provided that the Board may, from time to time, fix the minimum amount of stock</p> |

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| | <p>transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p> <p>(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>(c) such of the regulations of the company as are applicable to paid- up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.</p> |
| 40. | <p>The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—</p> <p>(a) its share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any share premium account.</p> |
| Capitalization of Profit | |
| 41. | <p>(i) The company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution;</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(C) partly in the way specified in sub-clause (A) & partly in that specified in sub-clause (B);</p> <p>(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;</p> <p>(E) The board shall give effect to the resolution passed by the company in pursuance of this regulation.</p> |
| 42. | <p>(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto.</p> <p>(ii) The Board shall have power—</p> <p>(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully</p> |

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| | <p>paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;</p> <p>(iii) Any agreement made under such authority shall be effective and binding on such members.</p> <p>(iv) Capital paid-up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.</p> |
| Buy-back of shares | |
| 43. | Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities. |
| General meetings | |
| 44. | All general meetings other than annual general meeting shall be called extra-ordinary general meeting. |
| 45. | <p>(i) The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</p> |
| Proceedings at general meetings | |
| 46. | <p>(i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</p> <p>(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.</p> |
| 47. | The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company. |
| 48. | If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting. |
| 49. | If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting. |
| Adjournment of meeting | |
| 50. | <p>(i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p> |
| Voting rights | |
| 51. | <p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <p>(a) on a show of hands, every member present in person shall have one vote; and</p> <p>(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.</p> |
| 52. | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. |
| 53. | (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. |

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| | (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. |
| 54. | 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. |
| 55. | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. |
| 56. | No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid. |
| 57. | (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. |
| Proxy | |
| 58. | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. |
| 59. | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. |
| 60. | A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used. |
| Board of Directors | |
| 61. | The number of the directors and the names of the current directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The number of the directors shall not be less than two or not more than fifteen and the first directors of the company shall be: The first directors of the Company were: 1. POOJA ALMADI 2. SUMIT TIWARI 3. NEETA ROY |
| 62. | (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the company. |
| 63. | The Board may pay all expenses incurred in getting up and registering the company. |
| 64. | The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register. |
| 65. | All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from |

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| | time to time by resolution determine. |
| 66. | Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose. |
| 67. | (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act. |
| Managing Director(S)/Whole Time Director(S)/Key Managerial Personnel | |
| 68. | The Managing Director or Whole Time Director shall be appointed in compliance with the Provisions of Companies Act, 2013 and any other applicable law in force. |
| Powers and duties of Managing Director or whole-time Director | |
| 69. | The Managing Director/Whole-time Director shall be subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction. |
| Proceedings of the Board | |
| 70. | (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. |
| 71. | (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. |
| 72. | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose. |
| 73. | (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting. |
| 74. | (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. |
| 75. | (i) A committee may elect a Chairperson of its meetings. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. |

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| 76. | (i) A committee may meet and adjourn as it thinks fit. (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. |
| 77. | All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director. |
| 78. | Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held. |
| Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer | |
| 79. | Subject to the provisions of the Act, a. 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; b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. |
| 80. | A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer. |
| The Seal | |
| 81. | (i) The Board shall provide for the safe custody of the seal. (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. |
| Dividends and Reserve | |
| 82. | The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. |
| 83. | Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company. |
| 84. | (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for 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. (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. |
| 85. | (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited |

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| | as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. |
| 86. | The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company. |
| 87. | (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. |
| 88. | Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share. |
| 89. | Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. |
| 90. | No dividend shall bear interest against the company. Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law. |
| Accounts | |
| 91. | (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting. |
| Winding up | |
| 92. | Subject to the provisions of Chapter XX of the Act and rules made thereunder— a. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. |
| Indemnity | |
| 93. | Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal. |

(Adopted by resolution passed at the Annual General Meeting dated 30th September, 2022).

SECTION X- 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 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 Prospectus to be delivered to the RoC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: 1/5322, S/F, Plot No. 19A, Gali No.13, Balbir Nagar Ext., New Delhi- 110032, India, from the date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement/ Memorandum of Understanding dated March 04, 2023 between our company and the Lead Manager.
2. Agreement dated March 04, 2023 between our company and the Registrar to the Issue.
3. Public Issue Agreement dated August 01, 2023 among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated March 04, 2023 between our company and the Underwriters.
5. Market making Agreement dated July 26, 2023 between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated December 16, 2022.
7. Agreement among CDSL, our company and the registrar to the issue dated December 19, 2022.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated February 03, 2023 in relation to the Issue and other related matters.
3. Shareholders' resolution dated February 06, 2023 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated August 03, 2023 on Restated Financial Statements of our Company for the years ended March 31, 2023, 2022 and 2021.
6. Peer Review Auditors Certificate for the Key performance Indicators dated March 17, 2023.
7. The Report dated August 03, 2023 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Prospectus.
8. The Report dated March 16, 2023 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
9. Copy of approval from NSE Emerge vide letter dated July 18, 2023 to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
10. Due diligence certificate submitted to NSE Emerge dated August 11, 2023 from Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at anytime if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XI - DECLARATION

We, hereby declares that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the 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/guidelines issued, as the case may be. We further certify that all the statements made in this Prospectus are true and correct.

| Signed by the Directors of our Company | | | | |
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| S.N. | Name | Category | Designation | Signature |
| 1. | Sumit Tiwari | Executive | Managing Director | Sd/- |
| 2. | Snigdha Tiwari | Executive | Director | Sd/- |
| 3. | Amit Tiwari | Non-Executive | Non- Independent Director | Sd/- |
| 4. | Rajnish Gaur | Non-Executive | Independent Director | Sd/- |
| 5. | Sudha Singh | Non-Executive | Independent Director | Sd/- |
| Signed by the Chief Financial Officer and Company Secretary of our Company | | | | |
| 7. | Anup Kumar Pandey | Full-time | Company Secretary | Sd/- |
| 8. | Akansha Jain | Full-time | Chief Financial Officer | Sd/- |

Place: Noida

Date: August 12, 2023